

#1

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Thursday, February 15, 2018 10:12:03 AM  
**Last Modified:** Thursday, February 15, 2018 10:18:19 AM  
**Time Spent:** 00:06:15  
**IP Address:** 174.222.132.170

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Page 1

**Q1** First Name (Optional)

Mai

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**Q2** Last Name (Optional)

Vue

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**Q3** Organization (Optional)

Conscious Cannabis Resources and TME LLC

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**Q4** Title (Optional)

Director and COO

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Cultivation should be based on a few factors; 1. Enough production to sustain the market place in all facets, ie flower, extraction, concentrates, edibles, etc. 2) In a controlled regulated environment, that keeps prices reasonable and approachable as so to limit the black market influence.

I do not believe that a 1 acre cap achieves those factors. We must be sensitive to the operators and end consumer. This industry and the culture that comes with it was founded on the premise to provide safe, and reasonable access to the benefits of this product.

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#2

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Thursday, February 15, 2018 10:11:59 AM  
**Last Modified:** Thursday, February 15, 2018 10:38:41 AM  
**Time Spent:** 00:26:41  
**IP Address:** 73.66.230.135

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Page 1

**Q1** First Name (Optional)

Rodney

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**Q2** Last Name (Optional)

Miller

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**Q3** Organization (Optional)

El Dorado County Growers Alliance

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

The law enforcement grants should be proportional to the amount of permits granted by cities and counties. In other words, if a county has only approved permits for dispensaries then law enforcement grants for that jurisdiction should be limited to proportional enforcement expenses relating to dispensaries and not for general enforcement expenses against cultivators who have not been allowed into the state permitting system.

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#3

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Thursday, February 15, 2018 12:00:43 PM  
**Last Modified:** Thursday, February 15, 2018 12:15:53 PM  
**Time Spent:** 00:15:10  
**IP Address:** 73.15.68.110

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Page 1

**Q1** First Name (Optional)

Mark

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**Q2** Last Name (Optional)

Gura

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**Q3** Organization (Optional)

Vimutti

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**Q4** Title (Optional)

Co-founder

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Hello and thank you all for your dedication and hard work. We are small operators/specialty indoor cultivators and only have 1404 sq ft of canopy at our current location. Because of this, we are requesting a sliding scale of the application costs. If we had the full 5,000 sq ft. of canopy that is allowed with our license type, then the \$22,000 in application fees and costs would be affordable. As it stands today, we cannot afford to apply to be regulatory compliant on top of all the new taxes, packaging, and distribution costs. We also also requesting that small operators be able to operate in both the medical and recreational market through one application considering our operating standards do not change whatsoever. This would allow us to better compete with larger businesses in our industry as well and to better protect all of the small operators that this industry was built upon. Thank you for your time and consideration.

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#4

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Thursday, February 15, 2018 12:45:57 PM  
**Last Modified:** Thursday, February 15, 2018 12:48:13 PM  
**Time Spent:** 00:02:16  
**IP Address:** 216.57.65.14

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Page 1

**Q1** First Name (Optional)

Glynda

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**Q2** Last Name (Optional)

Gold

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

The county bans are driving the little guy mom and pops right out of the game. Help us compete support cultivation caps of 1 acre maximum per parcel. Stop letting big business take this over.

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#5

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Thursday, February 15, 2018 7:11:03 PM  
**Last Modified:** Thursday, February 15, 2018 7:47:57 PM  
**Time Spent:** 00:36:53  
**IP Address:** 73.222.83.239

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Page 1

**Q1** First Name (Optional)

grant

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**Q2** Last Name (Optional)

palmer

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**Q3** Organization (Optional)

Cannacruz

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**Q4** Title (Optional)

ceo

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

1) Lab testing fees are an unnecessarily high burden. For the same battery of tests (potency, terpene, pesticide, microbiological) last year I was paying \$135. Now that same battery of tests costs \$700. This is absolutely unaffordable for small farmers. No other legal state has this expensive of a testing process. No other agri-business has this high of a testing cost. And these costs will go up with unnecessary tests in July and again in December. In traditional farming inspectors typically test the soil every 1-5 years to detect compounds like heavy metals. In no other type of agri-business are they required to test on final products every harvests.

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#6

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Friday, February 16, 2018 5:34:53 AM  
**Last Modified:** Friday, February 16, 2018 5:48:40 AM  
**Time Spent:** 00:13:46  
**IP Address:** 107.77.229.42

Page 1

**Q1 First Name (Optional)** Respondent skipped this question

**Q2 Last Name (Optional)** Respondent skipped this question

**Q3 Organization (Optional)** Respondent skipped this question

**Q4 Title (Optional)** Respondent skipped this question

**Q5 Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.** **Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Sustainability of this business begins with the cultivator. Without caps on licensing or amount of licenses a licensee can hold (i realize there are some caps) will over saturate the market with product and make it harder for us smaller cultivators to survive and thrive. Having a 1 acre cap (no matter if 4 small grows, 2 medium grows or a combination) total for all licenses is reasonable. For a licensee to be allowed to hold 10 medium grow licenses for indoor or outdoor is ridiculous (approximately 5 acres) Large companies like Phillip morris are creating non traceable smaller corps that are buying up licenses/land in order to corner the market, drive prices down to drive us all out of business. We will never enter the illegal market nor will we ever divert product into the illegal market, but if you want to eliminate the illegal market, wholesale prices need to stay up and only way they stay up is to have a good balance of supply and demand. Over supply is going to drive price down, drive small business out and then the Walmarts and Amazon's come in and drive us all out! Talk to Washington or Oregon state about issuing too many cultivator licenses and a system for non replacement as they go out of business or are forced out due to compliance/legal issues. Please consider limiting issuance of multiple licenses to one entity/person as they will all play the game anyway and break into smaller companies as the work around but make it difficult on them. Thanks for your consideration of my comments.

#7

COMPLETE

**Collector:** Web Link 1 (Web Link)  
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**Time Spent:** 00:02:27  
**IP Address:** 172.58.35.137

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Page 1

**Q1** First Name (Optional)

Christine

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**Q2** Last Name (Optional)

Spurgin

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**Q3** Organization (Optional)

BMDP

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

I Stand with the small farmers. Hoping they can find a way to make it legally in this industry and substantial

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#8

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Friday, February 16, 2018 10:21:04 AM  
**Last Modified:** Friday, February 16, 2018 10:22:46 AM  
**Time Spent:** 00:01:42  
**IP Address:** 73.15.227.138

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Page 1

**Q1 First Name (Optional)**

Christopher

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**Q2 Last Name (Optional)**

Canelo

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**Q3 Organization (Optional)**

Consultant

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**Q4 Title (Optional)**

CEO

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Perhaps not the right subcommittee to send to, but...

Please please understand the short and long term consequences of excessive barriers to entry to licensing and compliance management in an emerging market with an extremely healthy black market. Perhaps consult with with a state economist. The black market will be stronger next year when so many businesses are pushed out or fail to maintain compliance. More effort needs to be made in order to mitigate the illicit market, NOT STRENGTHEN it! It's not that complicated, keep the fees/taxes reasonable, then slowly and progressively increase over time so businesses can adjust accordingly. We want to make the job for law enforcement easier, not more difficult and painstakingly arduous as they have their hands full trying to track and wipe out illegal grows. It costs tax payers money!!! Give the smaller business owners a shot, then slowly tighten the reins. An open, free market with lots of competition is a wonderful thing, eventually lowers cost and increases quality. We are all for testing and taxing, but be reasonable and measured. Don't take my word for it, just look at Washington and Oregon as the blueprint for what NOT to do!!!

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#9

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Sunday, February 18, 2018 10:48:04 AM  
**Time Spent:** 00:07:04  
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Page 1

**Q1** First Name (Optional) Respondent skipped this question

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**Q2** Last Name (Optional) Respondent skipped this question

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**Q3** Organization (Optional) Respondent skipped this question

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**Q4** Title (Optional) Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. **Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

Please be aware that there has been recent activity in the cannabis seed industry to utilize the daylength-insensitivity trait (a.k.a. autoflowering). Recommending to limit number of harvests per year would be recommending also to limit the ability of outdoor and mixed-light Tier 1 cultivators to innovate in this area, particularly in ways which could offset the seasonality-imbalances in production capacity between cultivation license categories. Please reconsider recommending limits which would stifle cannabis industry innovation.

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# #10

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Sunday, February 18, 2018 2:36:41 PM  
**Last Modified:** Sunday, February 18, 2018 2:47:11 PM  
**Time Spent:** 00:10:29  
**IP Address:** 104.180.158.20

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Page 1

**Q1** First Name (Optional)

Kelly

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**Q2** Last Name (Optional)

McCormick

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

CA already produces many times more pot than it uses, according to CA Grower's Assoc. Excess is easily diverted to black market, especially with computerized Track & Trace not working. MJ cultivation uses excessive amounts of electricity & water, and uses pesticides, fungicides, herbicides and rodenticides that are damaging the environment. Neighbors of pot farms are subjected to bad odors.

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#11

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Monday, February 19, 2018 11:22:30 AM  
**Time Spent:** 00:03:24  
**IP Address:** 98.234.230.36

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Page 1

**Q1** First Name (Optional)

Randy

**Q2** Last Name (Optional)

Respondent skipped this question

**Q3** Organization (Optional)

Respondent skipped this question

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee****Q6** Feedback for Subcommittee

Celebrities with boatloads of money should NOT be allowed to monopolize the market much like other major companies. You're already seeing fallout from small growers whose lives depend on their crop, so allowing those with deep pockets to take over cripples the small grower which in turn destroys the quality and integrity of cultivating. This plus the over zealous taxes imposed at the state, county and city levels equates with a disaster for independent business

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# #12

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, February 20, 2018 7:55:41 AM  
**Last Modified:** Tuesday, February 20, 2018 8:23:55 AM  
**Time Spent:** 00:28:14  
**IP Address:** 24.121.219.73

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Page 1

**Q1** First Name (Optional)

Kevin

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**Q2** Last Name (Optional)

Caldwell

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**Q3** Organization (Optional)

City of Rio Dell

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**Q4** Title (Optional)

Community Development Director

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Indoor (artificial light) cultivation should be eliminated consistent with the State's greenhouse gas emission and climate action plan goals.

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# #13

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, February 20, 2018 11:05:18 AM  
**Last Modified:** Tuesday, February 20, 2018 11:15:47 AM  
**Time Spent:** 00:10:29  
**IP Address:** 24.5.102.45

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Page 1

**Q1** First Name (Optional)

Robert

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**Q2** Last Name (Optional)

May

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**Q3** Organization (Optional)

Humboldt Sky

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

1) re-instate one acre annual cap for ALL cultivation methods, e.g. outdoor (one annual crop) maximum 43,560 sf; mixed light 2 annual crops maximum 21,780 sf each planting; and indoor (4 annual crops) maximum 10,890 sf each planting.

2) eliminate or modify requirements for 24/7 streaming of security camera footage from off-grid farms, by allowing archiving of footage onsite or at designated state locations.

3) eliminate or modify requirements for 80% renewable energy for off-grid farms that use generators for homestead/non-cannabis farmstead activities.

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# #14

COMPLETE

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Tuesday, February 20, 2018 11:37:20 AM  
**Time Spent:** 00:00:59  
**IP Address:** 24.5.102.45

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Page 1

**Q1** First Name (Optional)

Robert

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**Q2** Last Name (Optional)

May

---

**Q3** Organization (Optional)

Humboldt Sky

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

[adding to my prior comments]

4) significantly reduce cannabis cultivation tax during the early years of the industry, or, if statute requires tax rates to remain at current levels, then explicitly allocate a portion of collected funds to cultivators to assist them in compliance costs (assuming tax rates of \$148 p.p. for flower and \$44 p.p. for trim, perhaps return 20% of paid-in taxes, either directly in the form of refunds to cultivators or as a credit for state-licensed compliance consulting.

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# #15

COMPLETE

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Tuesday, February 20, 2018 8:54:12 PM  
**Time Spent:** 00:01:56  
**IP Address:** 216.7.78.65

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Page 1

**Q1** First Name (Optional)

Linnet

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**Q2** Last Name (Optional)

Lockhart

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

Waterboard regulation for permission to cultivate within 600 ft of tribal land needs to be removed

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# #16

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, February 20, 2018 8:54:28 PM  
**Last Modified:** Tuesday, February 20, 2018 8:56:32 PM  
**Time Spent:** 00:02:03  
**IP Address:** 166.216.158.109

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Page 1

**Q1** First Name (Optional)

Noah

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**Q2** Last Name (Optional)

Cornell

---

**Q3** Organization (Optional)

Aster Farms

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**Q4** Title (Optional)

Director of cultivation

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Please restore the one acre cap.

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#17

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, February 20, 2018 9:05:11 PM  
**Last Modified:** Tuesday, February 20, 2018 9:06:23 PM  
**Time Spent:** 00:01:12  
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Page 1

**Q1** First Name (Optional)

Respondent skipped this question

**Q2** Last Name (Optional)

Respondent skipped this question

**Q3** Organization (Optional)

Respondent skipped this question

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee****Q6** Feedback for Subcommittee

Fees and taxes are going to make it impossible for the small farmer to survive.

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# #18

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, February 20, 2018 10:07:21 PM  
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**Time Spent:** 00:05:16  
**IP Address:** 72.173.18.57

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Page 1

**Q1** First Name (Optional)

Patrice

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**Q2** Last Name (Optional)

Respondent skipped this question

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

The taxes, permit fee, upgrade expenses should all be reduced. We are community members who have worked hard to provide clean quality medicine to those that need it. We are honorable people who have worked all our lives and we are having our livelihoods stolen by large corporations that your rules favor. Please change this.

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# #19

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 5:25:25 AM  
**Last Modified:** Wednesday, February 21, 2018 5:36:51 AM  
**Time Spent:** 00:11:25  
**IP Address:** 73.46.35.17

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Page 1

**Q1** First Name (Optional)

Laura

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**Q2** Last Name (Optional)

Clein

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

Please reshape the laws to allow pathways for small & medium size cultivators to continue to produce the high quality herbal medicine California is internationally know for... Thank you.

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#20

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 9:59:50 AM  
**Last Modified:** Wednesday, February 21, 2018 10:01:56 AM  
**Time Spent:** 00:02:05  
**IP Address:** 4.16.30.210

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Page 1

**Q1** First Name (Optional)

Stephanie

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**Q2** Last Name (Optional)

Hopper

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**Q3** Organization (Optional)

Canndescent

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**Q4** Title (Optional)

Government Affairs

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

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**Cultivators Subcommittee**

## Q6 Feedback for Subcommittee

Advertising of products. All advertising for cannabis should be limited to licensed cannabis businesses. Requiring the license number to be placed on advertisements is a good approach. Allowing licensed cannabis businesses to advertise in places similar to alcohol and tobacco should be allowed. It is a legal substance and should be treated the same in the state of California. The alcohol framework has been used to establish the rules and regulations which should encompass advertising as well. In addition, cannabis businesses should be allowed to do public service announcements (PSA). The Good To Know campaign in Colorado is run by the Health Department with contributions from the cannabis industry. The cannabis industry has continued to elaborate on the campaign by creating more messaging and placing in dispensaries.

Sampling of products. Cannabis businesses need a legal way to provide samples of their products to dispensaries and budtenders. This practice occurs in other regulated markets and helps companies get their products on dispensary shelves. Those dispensaries that are still working with co-ops are taking samples of cannabis products from co-op participants and filling the shelves. Regulated products have no current way to compete for the shelf space, limiting the legal sales channels, and harming the regulated industry.

Taxing product at first transfer. It would be better to tax product when it is ready to be transferred for human consumption. Flower could be taxed at first transfer to a distributor if it is intended to be sold as flower. If a cultivator is transferring product to a processor for drying trimming and packaging, the product should be taxed at the point it is ready to be transferred to a distributor for consumption. Taxing cannabis prior to drying will lead to a more complex system by taxing product that was not intended for the commercial market (leaves and stems), and will lead to more refunds due to product being destroyed at processing versus moving on to the commercial market place.

Return of product. Flower should be able to be returned to a distributor or cultivation from a dispensary. If a dispensary claims products are of inferior quality and requests a replacement, the producer of the product needs a way to inspect and confirm that product is in fact inferior and the weight is accounted for. The current system allows dispensaries to request replacements, obtain the replacement, and keep the product on their word they will destroy it. This is a loop hole that could lead to diversion at any license type. It would be better to remove product and destroy it at facilities that have the proper resources and equipment.

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# #21

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 10:18:16 AM  
**Last Modified:** Wednesday, February 21, 2018 10:24:32 AM  
**Time Spent:** 00:06:16  
**IP Address:** 192.52.250.232

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Page 1

**Q1** First Name (Optional)

Gavin

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**Q2** Last Name (Optional)

McDonough

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**Q3** Organization (Optional)

Emerald Gate Farms

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**Q4** Title (Optional)

Owner

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

I am extremely concerned about the rate of the current excise tax on cultivators. Given this and the other issues that surround 280E, an environment is being created that will make it difficult to impossible to survive as a small to medium cultivator. I respectfully urge you to make this topic as visible as possible to policy makers, to help ensure the survival of the small farmer, and by extension their families and communities.

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#22

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 10:54:55 AM  
**Last Modified:** Wednesday, February 21, 2018 10:56:17 AM  
**Time Spent:** 00:01:22  
**IP Address:** 76.103.225.148

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Page 1

**Q1** First Name (Optional)

Menaka

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**Q2** Last Name (Optional)

Mahajan

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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## Q6 Feedback for Subcommittee

I previously worked for a public agency (local level) on small business friendly policy/legislation and now work as a strategic and policy advisor within the cannabis industry. I have heard from many small businesses about the various provisions in the law that reduce their competitiveness against larger, better funded businesses and could put the smaller entrepreneurs out of business, as well as the challenges created for patients who are adapting to a different regulatory environment as they try to obtain their medicine. A large group of us have spent considerable time reviewing the regulations together and developing recommendations. Thank you very much for all your efforts to solicit feedback from the community and to develop regulations that are effective from a regulatory perspective, while keeping in mind the challenges of small operators who form the backbone of the cannabis industry. Please don't hesitate to reach out if I can be of service in crafting the formal regulations.

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

Compassionate Use

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029

Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.

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#23

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 10:59:08 AM  
**Last Modified:** Wednesday, February 21, 2018 10:59:29 AM  
**Time Spent:** 00:00:21  
**IP Address:** 198.189.249.57

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Page 1

**Q1** First Name (Optional)

Stephani

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**Q2** Last Name (Optional)

Smith

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**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

---

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6 Feedback for Subcommittee**

To Whom It May Concern,

With the State's legalization of adult-use cannabis, numerous ancillary industries have arisen in response to new and pending regulations. I've recognized there is a lack of consideration for cannabis waste in particular. This is a concern of mine due to the increasing number of cultivation, manufacturing and retailer licenses being granted within the state without identified guidelines and/or regulations regarding safe disposal of cannabis byproduct and cannabis waste.

Cannabis waste is expansive and differs from cultivators, manufacturers, and retailers. As such, it would also be prudent to clarify streams of waste by industry vertical. For example, cannabis waste runs the gamut of post-extracted cannabis plants and flowers, failed lab tested materials, ancillary manufactured waste (for example, i.e., wax paper, gloves, beakers, etc.), retail display items, and returned/damaged retail items, and more. Currently, certain streams of cannabis waste are frequently mistaken with safe-to-consume products, posing a risk to children and disenfranchised individuals.

It is my recommendation that regulations reflect who is qualified to handle cannabis waste. A licensed cannabis waste handler ought to be contracted for each cannabis cultivator, manufacturer, and retail site to combat the negative repercussions cannabis waste has on human and environmental health. The inclusion of such a standard will complete the symbiotic relationship between key stakeholders—the environment, the public and the industry.

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#24

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 11:10:05 AM  
**Last Modified:** Wednesday, February 21, 2018 11:12:55 AM  
**Time Spent:** 00:02:50  
**IP Address:** 192.92.176.114

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Page 1

**Q1** First Name (Optional)

Respondent skipped this question

**Q2** Last Name (Optional)

Respondent skipped this question

**Q3** Organization (Optional)

Respondent skipped this question

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee****Q6** Feedback for Subcommittee

How will waste be managed?

# #25

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 11:10:03 AM  
**Last Modified:** Wednesday, February 21, 2018 11:15:44 AM  
**Time Spent:** 00:05:41  
**IP Address:** 47.208.102.1

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Page 1

**Q1** First Name (Optional)

Chad

---

**Q2** Last Name (Optional)

Steelman

---

**Q3** Organization (Optional)

Humboldt Marijuana Company

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**Q4** Title (Optional)

President

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

The \$148 per/lb. cultivation tax on small farmers is ridiculously cumbersome and will put small farmers out of business. If the idea is to tax and fee a new industry out of existence, you are succeeding.

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#26

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 12:07:08 PM  
**Last Modified:** Wednesday, February 21, 2018 12:11:36 PM  
**Time Spent:** 00:04:28  
**IP Address:** 185.152.67.11

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Page 1

**Q1** First Name (Optional)

Eugene

---

**Q2** Last Name (Optional)

Denson

---

**Q3** Organization (Optional)

Attorney

---

**Q4** Title (Optional)

Attorney

---

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Humboldt county has its own T&T program. This is redundant and the state should eliminate such local programs. Humboldt also has a land tax not voted on at the polls which taxes permit sizes. These taxes make no sense for cultivation. Finally, Humboldt is in an economic slump in part due to the slow and uneven start to the State system. We will need the temporary licenses for cultivation extended probably for the year.

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#27

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 12:39:05 PM  
**Last Modified:** Wednesday, February 21, 2018 12:48:38 PM  
**Time Spent:** 00:09:32  
**IP Address:** 45.48.229.173

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Page 1

**Q1** First Name (Optional)

Rachel

---

**Q2** Last Name (Optional)

O.

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**Q3** Organization (Optional)

Somatik

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**Q4** Title (Optional)

Sales

---

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Cultivation Subcommittee 19  
Eliminate or moderate the Trim Tax. 19  
Compassionate Use 19  
A vs. M separation

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#28

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 12:59:59 PM  
**Last Modified:** Wednesday, February 21, 2018 1:00:50 PM  
**Time Spent:** 00:00:51  
**IP Address:** 73.241.141.254

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Page 1

**Q1** First Name (Optional)

Luna

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**Q2** Last Name (Optional)

Respondent skipped this question

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**Q3** Organization (Optional)

Respondent skipped this question

---

**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

Compassionate Use

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029

Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.

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#29

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 1:19:32 PM  
**Last Modified:** Wednesday, February 21, 2018 1:31:12 PM  
**Time Spent:** 00:11:40  
**IP Address:** 47.208.76.75

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Page 1

**Q1** First Name (Optional)

Kelly

---

**Q2** Last Name (Optional)

Flores

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**Q3** Organization (Optional)

Margro Advisors

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**Q4** Title (Optional)

Owner

---

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

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**Cultivators Subcommittee**



**Q6 Feedback for Subcommittee**

Farmers are being caught in the crossfires of mis-aligned compliance requirements of varying agencies with their local jurisdiction. We need a section of regulations (or law) that creates a hierarchy of jurisdiction or a prohibition on violations for any farms that are involved in the Cannabis permitting and compliance process that involve environmental improvements. Here's our suggestion to add to the regulations:

(A) Environmental improvements requested or required by the State Water Board, California Department of Fish & Wildlife, and other state agencies are prohibited from assessing fines for violations if agreed upon corrections with the property owner or manager have been submitted for approval to the local jurisdiction, and a permit or license has yet to be received. Deadlines based upon agreed improvement plans for corrections will not begin until all local permitting has been approved.

(B) For all Cannabis businesses locally permitted or in the process of obtain local permitting, environmental violations found according to the State Water Board, California Department of Fish & Wildlife, and other state agencies are prohibited from assessing fines for onsite violations upon initial discovery. Violation warnings and corrective recommendations must be provided to the property owner or manager and an agreement along with a timeline for remediation signed. Pursuant to section (A), future fines being assessed may only be issued for failure to meet established deadlines to correct the items as stated in the agreement and approved by the local jurisdiction.

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#30

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 1:35:58 PM  
**Last Modified:** Wednesday, February 21, 2018 1:39:59 PM  
**Time Spent:** 00:04:00  
**IP Address:** 174.215.11.232

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Page 1

**Q1** First Name (Optional)

Brian

---

**Q2** Last Name (Optional)

Adams

---

**Q3** Organization (Optional)

Respondent skipped this question

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**Q4** Title (Optional)

Respondent skipped this question

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

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**Q6** Feedback for Subcommittee

The unrestricted license stacking for mega farms is unconscious-able given the over supply that already exists. How the idea of creating large producers when there already isn't enough legal market for the existing registered producers is clearly a mistake.

Please support small business operators instead of mega farms, that was never the intent of prop 64.

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# #31

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 1:46:17 PM  
**Last Modified:** Wednesday, February 21, 2018 1:52:38 PM  
**Time Spent:** 00:06:20  
**IP Address:** 192.195.80.217

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Page 1

**Q1** First Name (Optional)

Christopher

---

**Q2** Last Name (Optional)

Schroeder

---

**Q3** Organization (Optional)

A Tribe Of Us

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**Q4** Title (Optional)

Founder

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**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

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**Cultivators Subcommittee**

## Q6 Feedback for Subcommittee

Thank you so much for all of your help with on the subcommittee and regulatory boards. I am a small edibles manufacturer, and we are really happy that you are working with us to ensure safe access for consumers as well as protecting our business' ability to thrive. These are comments I worked on with 40 other operators across the supply chain in San Francisco. We know that this has to work for all of us to work for any of us, that has been and continues to be the backbone of our community. Many of us are still waiting for our temporary state licenses, many us already have them, and I think this feedback comes from a wide range of industry expects and experience levels and hopefully you'll find our recommendations reasonable and through provoking. Thanks again for all you do!

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

Compassionate Use

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029

Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.

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#32

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:06:53 PM  
**Last Modified:** Wednesday, February 21, 2018 2:10:49 PM  
**Time Spent:** 00:03:55  
**IP Address:** 216.101.17.200

Page 1

**Q1** First Name (Optional)

Bridget

**Q2** Last Name (Optional)

May

**Q3** Organization (Optional)

Little Green Bee

**Q4** Title (Optional)

President

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

Compassionate Use

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

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Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.

#33

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:14:34 PM  
**Last Modified:** Wednesday, February 21, 2018 2:15:35 PM  
**Time Spent:** 00:01:01  
**IP Address:** 192.195.80.217

Page 1

**Q1** First Name (Optional)

Clayton

**Q2** Last Name (Optional)

Coker

**Q3** Organization (Optional)

Somatik

**Q4** Title (Optional)

Co-founder

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

My name's Clayton Coker, and I'm one of the co-founders of Somatik. We are a gourmet edibles manufacturer based out of San Francisco. I'd first like to thank you all for all of your hard work in helping us all move quickly toward becoming a fully legal and compliant industry. I think it is deeply important that we are able to build on the trust and confidence that we have worked so hard to build with the people of California. And I have felt personally privileged to be able to participate in this process.

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

Compassionate Use

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029

Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.



#34

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:11:20 PM  
**Last Modified:** Wednesday, February 21, 2018 2:16:03 PM  
**Time Spent:** 00:04:42  
**IP Address:** 76.21.27.214

Page 1

**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. **Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

I have a cultivation application turned in. At the meeting in Sacramento yesterday there was not much discussion about lowering taxes. And a lot of discussion on getting rid of the black market. If the excise tax, and other taxes, don't get lowered, there will be a flood of cultivators getting out of the legal market, and back into the black market. Taxes HAVE to be lowered. Please work on that. Thank you

#35

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:16:06 PM  
**Last Modified:** Wednesday, February 21, 2018 2:18:02 PM  
**Time Spent:** 00:01:56  
**IP Address:** 23.241.194.36

Page 1

**Q1 First Name (Optional)**

Rodney

**Q2 Last Name (Optional)**

Washington

**Q3 Organization (Optional)**

Tru Passion dba JahLife

**Q4 Title (Optional)**

President & CEO

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

For individuals who are interested in cultivation, there should be some proof of experience &/or knowledge of agriculture & cannabis growth & techniques. Cultivation the most important step in the industry of cannabis in California. I propose that an individual or business should be limited in their cultivation practices until they are registered with the California Department of Public Health along with recognizing long-term patients & caregivers whom have previously registered with the respective county programs.

#36

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:17:52 PM  
**Last Modified:** Wednesday, February 21, 2018 2:25:06 PM  
**Time Spent:** 00:07:14  
**IP Address:** 184.63.163.200

Page 1

**Q1 First Name (Optional)**

Monique

**Q2 Last Name (Optional)**

Ramirez

**Q3 Organization (Optional)**

Covelo Cannabis Advocacy Group

**Q4 Title (Optional)**

Founder

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Cultivators should be allowed to transport their own product batches to testing labs, rather than lab techs having to go to distributors. Once cultivators have results from their batches, they could then proceed to “process” their product and then transport to distributors to move along the chain. If this sequence is not considered, there will undoubtedly be a bottleneck and delay of product entering into the marketplace. Not all farms are centrally located or near distribution hubs. Since a distributor transport only license type has been created, by allowing cultivators to take their own batches to labs will help move supply more steadily and efficiently especially for farms located in rural norther california counties such as Mendocino, Trinity or Humboldt.

#37

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:52:47 PM  
**Last Modified:** Wednesday, February 21, 2018 2:53:27 PM  
**Time Spent:** 00:00:40  
**IP Address:** 67.160.198.33

Page 1

**Q1** First Name (Optional)

Michelle

**Q2** Last Name (Optional)

Dizitser

**Q3** Organization (Optional)

Kannibox

**Q4** Title (Optional)

Founder and CEO

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

KANNIBOX IS A SOCIALLY RESPONSIBLE COMPANY PROVIDING AN EASY WAY FOR PEOPLE TO DISCOVER DIFFERENT TYPES OF CANNABIS AND TRY PRODUCTS THROUGH A PERSONALIZED SAMPLE SUBSCRIPTION BOX

OUR GOAL AT IS TO HELP SMALL BUSINESS THRIVE BY PROVIDING THEM A PLATFORM AND A CHANNEL TO MARKET. WE WANT TO SEE THE ILLICIT CANNABIS MARKET DISAPPEAR BY GIVING OPPORTUNITIES FOR SMALL BUSINESS TO HAVE A VOICE AND REACH THEIR TARGET CONSUMERS.

WE FEEL THAT SOME OF THE HURDLES THAT HAVE BEEN CREATED BY THE CURRENT REGULATIONS, HAVE HAMPERED THE POTENTIAL SUCCESS OF SMALL BUSINESSES BY NOT GIVING THEM A REASONABLE PATH TO GET TO LEGALIZATION, AND THUSLY HAS POSITIONED THE ILLICIT MARKET TO THRIVE.

KANNIBOX AIMS TO EDUCATE CONSUMERS ABOUT ALL DIFFERENT TYPES OF CONSUMPTION METHODS, DOSING, AND WHAT WORKS BEST FOR THEM AS INDIVIDUALS. HEALTH AND SAFETY IS A NUMBER ONE PRIORITY. IF WE HAVE EDUCATED CONSUMERS WHO UNDERSTAND WHAT THEY ARE CONSUMING, WE WILL HAVE A STRONGER AND MORE COMPASSIONATE MARKET.

WE ARE APPLYING FOR A BOTH MEDICAL AND ADULT USE MICROBUSINESS LICENSES.

Eliminate or moderate the Trim Tax.

This substantially increases the expense for suppliers and consumers.

**Compassionate Use**

Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029

Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.

#38

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:39:01 PM  
**Last Modified:** Wednesday, February 21, 2018 2:57:04 PM  
**Time Spent:** 00:18:03  
**IP Address:** 52.119.120.94

Page 1

**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. **Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Cottage and small growers are finding the permit process daunting. To have a 500sq ft grow i'd have to bring my entire 5,000sq ft commercial space up to code? This would not be affordable for a small cultivator. Also, i understand the purpose of an equity program but i'm hearing multiple people looking for felons just to get permits. This is crazy. This is insulting for people who follow the rules and have tried hard to stay above board in this industry. The only way a nursery got permitted in Oakland was to locate a felon and get them on board- Also, a cottage grower who has worked with dispensaries should be able to directly distribute to them without added cost. As I can see there are not many incentives for small cultivators to stay in this market and that was the opposite intention of regulating cannabis. California claimed to protect small cultivators and limit mono grows and this is currently not the case. I hear the black market is insane right now. This is not shocking considering how impossible it is to get permits.

#39

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 3:06:01 PM  
**Last Modified:** Wednesday, February 21, 2018 3:06:41 PM  
**Time Spent:** 00:00:40  
**IP Address:** 108.163.144.36

Page 1

**Q1** First Name (Optional)

Deborah

**Q2** Last Name (Optional)

Sadler

**Q3** Organization (Optional)

CBCB Berkeley

**Q4** Title (Optional)

General Manager

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

"Eliminate or moderate the Trim Tax: This substantially increases the expense for suppliers and consumers.

Compassionate Use: Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029: Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses."



#40

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 3:15:22 PM  
**Last Modified:** Wednesday, February 21, 2018 3:30:18 PM  
**Time Spent:** 00:14:56  
**IP Address:** 24.23.30.9

Page 1

**Q1 First Name (Optional)**

Emma

**Q2 Last Name (Optional)**

Snuggs

**Q3 Organization (Optional)**

California Cannabis Industry Association, Agricultural Committee

**Q4 Title (Optional)**

CCIA Agricultural Committee: Cannabis Waste Disposal, Renewable Energy Requirements, 1-Acre Cap, Canopy Requirements, Processor License, Track and Trace Protocols, Laboratory Testing

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Cannabis Waste Disposal

Root Waste – (I suggest that we do NOT bring this up. However, if the Subcommittee has discussion regarding this issue then here is a comment to use when responding to cannabis waste disposal.) Cannabis root waste does not contain significant levels of cannabinoids and does not pose risk of diversion. In fact, the cannabis root offers seasonal farmers a tremendous soil building opportunity and is often left in the ground over the winter to naturally decompose while maintaining soil structure integrity. In instances where cultivators are growing cannabis in pots, the roots and remaining soil, are often stacked to compost and be used as medium at a later date.

Cannabis waste such as plant stalks and leaf, that has not been chemically altered, should be able to be sold. Leaf and stalk materials compost nicely and pose no significant risk if sold as compost by a licensed green waste facility. Additionally, plant stalk and leaf material may be valuable to other non-cannabis industries including but not limited to paper, textiles, fiber and bio fuel.

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

Cannabis waste such as the stalks and leaf, are also regularly chipped back into the cultivation area and left to decompose over the winter. This process is used by many farmers to build soil and reduce the risk of waste discharges over the winter months.

In short, cultivation and processing waste should be regulated in the same manner as other agricultural businesses that generate green waste.

### Renewable Energy Requirements

The commercial cannabis cultivators already suffer from more onerous regulations than any other commercial agricultural crop and should be held to the same renewable energy standards as other farmers operating in the State of California.

### Reinstating the 1-Acre Cap

CCIA opposes the implementation of a one acre cap and has concerns that the implementation of a one acre cap would create significant legal, economic and environmental challenges to the regulatory program, applicants and license holders, especially outdoor and mixed-light tier 1 licensees.

Imposing a one acre cap would limit seasonal farmers holding outdoor licenses to 44,000 SF of production annually and mixed-light tier 1 farmers achieving 2 harvests to 84,000 SF of production annually; while

allowing all-season cultivators, holding mixed-light tier 2 and indoor licenses, who easily achieve 6 to 7 harvests a year, 252,000 SF or more of production annually

By restricting outdoor and mixed-light tier 1 license holders to 1/5 the cumulative production area of all-season producers, a one acre cap could unintentionally encourage many cultivators to transition into mixed-light tier 2 and indoor cultivation license types. Such a transition would increase high-intensity discharge light usage resulting in increased Green House Gas (GSG) emissions.

The CCIA Agriculture Committee respectfully requests that the Cultivation Subcommittee recommend against the reinstatement of a one acre cap and acts to support seasonal cultivators through recommending tax incentives and reduced barriers of entry to licenses.

### Canopy Requirements

CCIA Agriculture Committee respectfully requests the Cultivation Subcommittee make the following regulatory recommendations in reference to Canopy Requirements:

Current regulations limit the cottage specialty outdoor license to 25 plants and the specialty outdoor license to 50 plants. CCIA Ag Committee requests that the cottage specialty outdoor license holder definition be changed to allow for the cultivation of 25 plants or 2,500 square feet of mature canopy, and that the specialty outdoor license holder be allowed to cultivate 50 plants or 5,000 square feet of mature canopy.

We also request that outdoor cultivators be allowed to utilize light deprivation techniques which are often implemented to ensure that a crop finishes before the driest part of the summer; or perhaps to ensure that a late crop planting will finish before the fall rains come.

### Processor License

CCIA members, working to obtain cultivation licenses, currently report that on-site processing activities associated such as the drying and curing of harvest batches are often triggering inconsistent and onerous local permitting requirements that are often used to regulate commercial processing, manufacturing and industrial businesses. However, food, botanicals and other agricultural crops produced for human consumption can often be harvested, dried and cured in agricultural exempt structures. CCIA urges the Cultivation Subcommittee to recommend that cannabis be considered akin to and regulated in the same manner as other crops produced for human consumption.

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

### Track and Trace Protocols

Wet weight and individual UID harvest tracking requirements should be eliminated from the track and trace programs harvest protocols. Instead, whole beds or designated areas of the same cultivar should be allowed to be harvest and accounted for as a new batch. When the new batch is created in the track and trace program at harvest each tag associated with the area that was harvested should be noted in the creation of the new batch. As currently written, the requirement to track all wet weight and to associate the freshly harvested plant material to the individual plant from which it came, will create an onerous amount of costly labor that California's smallest farmers will not be able to afford.

### Laboratory Testing

Under the current regulations all quality assurance testing is required to be conducted at the distributor level of the supply chain and batch limits are set at a maximum of 50 pounds. CCIA respectfully requests that the quality assurance testing occur as early in the supply chain as possible and that the batch size be removed. The current expectation that quality assurance occur at the distribution level means that cultivators, processors and manufacturers must cover the cost of initial testing, to package and move product up the supply chain, and then pay for the testing again at the distributor level. California's rigorous testing protocols are costing many an average of \$1000 per test. In addition, and due to the quality assurance being required at the distributor level, the 50-pound maximum batch creates a scale of economy that awards the largest cultivators who can often provide very large batches at a reasonable price to the distributor. For example, if a cultivator harvests a 50-pound batch of flower material and moves the entire 50-pound batch to the distributor at once then the cost of testing is \$1000. But if the cultivator harvests 50 pounds and trickles that batch to the distributor in 5 pound increments then the testing on that batch will cost approximately \$10,000. This system for quality assurance testing will disproportionately hurt California's smallest farmers who cannot afford to match the prices of larger growers and transfer very large batches at one time. We urge the subcommittee to understand the cost risk associated with the current model and make recommendations that the cultivator, processor and/or manufacturer can conduct the quality assurance at the time of packaging the product and provide the quality assurance certificate to the distributor with the product. Furthermore, the State is already planning to engage in a secret shopper program. This program could be used to verify that cannabis products are labeled appropriately and meet quality standards.

#41

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Wednesday, February 21, 2018 3:31:31 PM  
**Time Spent:** 00:03:59  
**IP Address:** 74.62.3.2

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**Q1** First Name (Optional)

John

**Q2** Last Name (Optional)

Plata

**Q3** Organization (Optional)

Legal Department, Agua Caliente Band of Cahuilla Indians

**Q4** Title (Optional)

General Counsel

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

CULTIVATION SUBCOMMITTEE

PUBLIC COMMENT 03-01-18

Title 3, Division 8 of the California Code of Regulations (CDFA)

These comments are submitted on behalf of the Office of General Counsel of the Agua Caliente Band of Cahuilla Indians (Tribe). The Office of General Counsel appreciates the opportunity to provide comments on these regulations, which affect issues of local, state, and tribal jurisdiction. The very abbreviated regulatory process adopting the emergency regulations did not satisfy the mandate in Executive Order B-10-11 which provides that all executive agencies shall consult with California Indian Tribes to ensure tribal governments are afforded the opportunity to provide “meaningful input into the development of legislation, regulations, rules, and policies on matters that may affect tribal communities.” The emergency regulations do not adequately take into account the unique status of federally recognized Indian tribes, tribal sovereignty, and tribal-state relations within the state of California.

1. We propose that the Subcommittee pass a motion recommending striking Section 8102(z)(1) in its entirety. Section 8102(z) of the CDFA regulations require that a federally recognized Indian tribe waive any sovereign immunity defense that the applicant may have to obtain a state license and purports to subject tribes to state civil regulatory laws. If a tribe remains unlicensed, it will be a violation for state licensed entities to conduct commercial cannabis activity with the tribe. See Section 5032. This is a significant and unnecessary intrusion into tribal sovereignty by the state.

2. We propose that the Subcommittee pass a motion recommending that Section 8102(z)(2) be amended to additionally require that the state shall not approve an application for a state cultivation license if approval of the license would violate the provisions of tribal law. To ensure licenses are only issued in jurisdictions that have authorized commercial cannabis cultivation, if a tribe provides its applicable law to the state, the state should consider tribal ordinances, tribal enforcement actions, and other applicable tribal authorities in addition to local ordinances and regulations when issuing licenses for commercial cannabis cultivation. The Tribe has promulgated a “Commercial Cannabis Prohibition Ordinance,” an Ordinance prohibiting all commercial cannabis activity within its jurisdiction, in close cooperation with cities and the County of Riverside in order to address concerns of overlapping jurisdiction.

We thank you for considering these comments and revisions.

#42

**Collector:** Web Link 1 (Web Link)  
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Page 1

**Q1** First Name (Optional)

Megumi

**Q2** Last Name (Optional)

Reagan

**Q3** Organization (Optional)

Respondent skipped this question

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

To Whom It May Concern:

I'd like to give the following recommendations to the Subcommittee:

1. Define and clarify the difference between "cannabis byproduct" and "cannabis waste."

"Cannabis byproduct" and "cannabis waste" are used interchangeably within the regulations. By definition in the current regulations, cannabis waste is cannabis product that has been rendered unrecognizable and unusable. Unrendered waste is still cannabis product/byproduct. Therefore, regulations in regard to cannabis waste management, should refer to byproduct and product as such and should require a cannabis distribution and processing license for a hauler to transport cannabis away for waste management service purposes.

2. Define and clarify how different types of "cannabis byproduct" should be handled.

Cannabis byproduct varies vastly between cultivation and manufacturing.

Cultivation byproduct includes stalks, stems, leaves, flowers, soil, and root balls. Current regulations address composting on-site as a cannabis waste management procedure, but do not address composting standards i.e. having oversight by a licensed third-party. Without third-party verification, there is no way to confirm that on-site composting has been completed correctly and the cultivation waste has been properly documented. Additionally, composting off-site must require a cannabis licensed hauling company, who must obtain a cannabis distribution license. A random hauling company that is licensed to haul cannot service cannabis byproduct, if it has not yet been rendered unrecognizable and unusable. They must also have a cannabis distribution license as they are hauling cannabis product.

Manufactured byproduct is a high-profile stream of waste. As such, regulations must be adjusted accordingly and should not be the same as the regulations set forth for cultivation. Since manufactured waste is more hazardous than cultivation waste, my recommendation is to create more stringent standards that require a cannabis licensed hauling company to manage the waste.

Thank you.

# #43

**Collector:** Web Link 1 (Web Link)  
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**Last Modified:** Wednesday, February 21, 2018 3:59:50 PM  
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Page 1

## Q1 First Name (Optional)

Charles

## Q2 Last Name (Optional)

Sargenti

## Q3 Organization (Optional)

Respondent skipped this question

## Q4 Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

## Q6 Feedback for Subcommittee

This is an issue which, if unresolved, will result in the exclusion of potentially hundreds of existing legacy cultivators, contrary to the intent of Prop 64 and the will of the public. The State Water Board requirement for a tribal land setback of 600 feet is onerous and arbitrary and is especially unfair in areas like Covelo, CA where many allotment parcels are intermixed with privately owned ones. Local regulations already require property line setbacks. State regulations should align with such local requirements. Making matters even more ironically unfair, some of these allotment parcels are sites of literally hundreds of illegally grown cannabis plants. While neighboring legacy cultivators are toeing the line of compliance, allotment parcels illegally cultivating or not will, if this unfair setback requirement is maintained, cause these conscientious and environmentally conscious farmers to lose their livelihoods. This would be the exact opposite of any reasonable benefit of the setback requirement.



#44

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**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. **Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

"Packaging: CCR § 40415 [Issue]: Requiring child resistant packaging as stated in the proposed legislation creates significant waste. We urge you to consider the environmental impact from excessive packaging and redundancy: Requiring child resistant packaging is also expensive. The certification process is time consuming and costly. Sourcing certified child resistant packaging is equally cost prohibitive for small manufacturers. Washington state does not require child resistant packaging and have not seen safety issues as a result, and the consumer needs to take responsibility for keeping packaging out of hands of children. We believe there should be a balance regarding responsibility consumer and licensee responsibility.

Products for topical application should have less child-resistant packaging requirements because the danger of ingestion for topicals is low. Topicals should be easy enough to open for those with arthritis. Topicals should not be required to be in child resistant packaging. Instead, should include language "for external use only. Do not eat.

Requiring opaque packaging removes the consumer's ability to interact with a product before purchasing. With proper labeling the consumer is informed of the contents of the product We would like to see the removal of the requirement that edibles be in opaque packaging.

[Recommendations] We are in full support of tamper-evident packaging. It's proven successful in preventing contaminated products getting into the hands of consumers across other well established industries. We support retailers using opaque child-resistant carry-out bags at the point of sale.

Primary Panel Labeling Requirements: CCR § 40405: [Issue] It's unclear whether primary panel includes the lid for items like beverages. This is one of the most visible part of the product to alert consumers the product contains THC, and would give us more flexibility in

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where we can alert the consumer. For example a beverage should be able to put the universal warning symbol on the primary label OR lid.

[Recommendations] clarify primary panel may also be inclusive of the lid to a product.

Universal Symbol: CCR § 40412 [Issue]: Many edible products are small and don't have enough space for all of the requirements including a .5 in graphic. We believe that allowing the universal THC symbol to be .25 in would still be adequate to alert consumers and be more closely aligned with the symbol requirements from other legalized states, while allowing the rest of the required information to have room.

[Recommendations] amend required size of CA state universal symbol to .25 in

Different labeling requirements for topicals: BPC § 26120(c)(1)(B) [Issue]: Topical products should have different labeling requirements based on scientific evidence. Requiring a warning on the label of topical products that states that the product will impair the ability to drive etc, assumes that all cannabis topicals are formulated with a permeation enhancer as one would find in a transdermal product. The epidermis and dermis block migration of cannabinoids into the bloodstream. Without an efficacious delivery of cannabinoids into the circulatory or lymphatic systems, topical cannabis products cannot neither impair judgement or reaction timing, nor induce psychoactive effects. Transdermal cannabis products should certainly contain the prescribed warning about impairment as all other edibles.

[Recommendation] For transdermal products, we recommend maintaining the same warning and packaging guidelines as edibles. For all other topical products, we recommend eliminating the language about "intoxicating effects." We further recommend that topicals be exempted from the child-resistant packaging requirements but that they include the disclaimer "For external use only. Do not ingest." This disclaimer would conform to norms in the cosmetics industry.

100 mg limit for packages/10 mg limit for servings: BPC § 26130(c)(2) : [Issue] --- A 10mg limit per serving a great way to help ensure new patients have a safe experience, and keeps California's regulations in parity with other legalized states. However, a 100mg per package limit is not appropriate for users who may require higher dosage, and patients will slowly learn their own tolerance and be able to set a sensible dose. Much of the cost of goods is burdened by labor, and packaging, so allowing an increased per package limit will help reduce costs of medicine for medical patients, and decrease overall environmental impact.

[Recommendation] Keep a 10mg limit for Adult Use consumers as well as the requirement to delineate or score, but increase the per package limit to 500mg or 1000mg

Single manufacturing license for A & M: CCR § 40115(c) and (d): [Issue] --- This seems to be a redundant cost for applicants seeking both license types, and one that is cost prohibitive for small businesses. Furthermore, dividing the market into two distinct tracks threatens the medicinal cannabis market. Businesses generally see the adult use market as more promising for growth potential and if forced to choose for economic or administrative reasons, they may choose adult use, leaving patients without sufficient products or retailers. For example a small business would need to maintain to completely separate supply chains from seed to sale losing out on economies of scale, and doubling a manufacturer's up front cost to service both markets.

[Recommendation] Please reevaluate whether there is an administrative need to have two license types for suppliers. If an applicant applies for both A&M licenses, is the state agency processing each application separately from start to finish? If not, it is recommended that the state allow a single application for both license types rather than charging to recover costs for two reviews when the process is only completed once. The A & M designations may be logical at the retail level, but not for suppliers.

Extend time to conduct business irrespective of M & A designation: CCR § 5029: Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Businesses need more time to comply with regulations and this extension will allow legislators to pursue statutory change for a single state A&M license.

Shared spaces: CCR § 40190-40199: We are in full support and excited about shared manufacturing spaces! We urge you to define and

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communicate this legislation quickly as the lack of this legislation negatively impacts our equity partners/incubators and small manufacturers. Licensing fees have become a barrier to entry for small businesses and equity incubators. By allowing shared spaces, small businesses can afford to obtain zoning-compliant spaces and enter the regulated market.

Recommendation: We request you to consider allowing shared equipment for non extraction related equipment. With the proper GMP's and SOP's in place there should be little to no risk of cross contamination. This is similar for mobile bottlers in the alcohol industry or co-packers in the traditional food industry.

We urge you to avoid any language defining or capping square footage, number of employees or businesses per premise. There are significant safety measures put in place by the Fire Department as well as the Department of Public Health to address any concerns regarding limitations to shared food processing and building safety.

Finally, please allow licensees in shared spaces to have shared storage. This will help small businesses to afford the costs of compliance. Shared locked cages for product are economically practical and guidelines may be specified to ensure each licensee's products remain separate within the cage.

Promotional Samples: BPC § 26153, CCR § 5411(a) and (b), RTC § 34011(a)(1) and (e): [Issue] Sampling is the most effective way for patients to discover the treatment methods that work best for them through firsthand experience. Medical cannabis products can be high-priced, and patients may be reluctant to spend money to find the best method of intake for them. However samples can be both properly tested, and distributed through the track and trace system to safely allow patients to experience new products. Cannabis has been deemed by the state to be safe for recreational use by adults, and dispensaries can only admit consenting adults it's reasonable to assume sampling on-site can be done safely. We need to be able to offer sales samples to dispensary buyers. In order to grow our business effectively we need to be able to open up new accounts. The only way a dispensary will consider adding products to their menu is when they are able to sample the retail unit that they would purchase for patients and consumers.

[Recommendation] We propose samples be allowed for the purpose of patient education, and that they be distributed through licensed distributors using the same testing requirements as retail product. The chain of custody is preserved under the proposed safety compliance channels, ensuring sampling is a safe and effective way to educate.

We would like to see concessions that allow sales samples to be given away to prospective buyers as a B2B function. All retain units will go through the track and trace system, but a sensible allowance of 4% of product may be allocated for sales samples strictly for the purpose of B2B account establishment. We also recommend that for the purpose of B2B non-commercial sales prospecting, samples should be allowed to be delivered by type II distributors, as these products will not be for sale.

(a) (1) Effective January 1, 2018, a cannabis excise tax shall be imposed upon purchasers of cannabis or cannabis products sold in this state at the rate of 15 percent of the average market price of any retail sale by a cannabis retailer. A purchaser's liability for the cannabis excise tax is not extinguished until the cannabis excise tax has been paid to this state except that an invoice, receipt, or other document from a cannabis retailer given to the purchaser pursuant to this subdivision is sufficient to relieve the purchaser from further liability for the tax to which the invoice, receipt, or other document refers.

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(e) Cannabis or cannabis products shall not be sold to a purchaser unless the excise tax required by law has been paid by the purchaser at the time of sale. Sales and promotional samples should be exempt from excise tax, and these are B2B tools for business development, and not for commercial use. It's unreasonable to burden a sales sample with the full tax of a sellable product, and this will lead to more delays to getting product into the market which will ultimately drive more tax revenue for CA, and allow manufacturers to more quickly compete in the market.

Recommendation: Above, we outlined ways that we think manufacturers and distributors should be allowed to provide B2B samples, as well as consumer samples. We recommend that samples either be non-taxable items to match other industries, or, that they be taxed on the sample rate they were sold at instead of based on the standard markup

5411. Free Cannabis Goods: (a) A retailer shall not provide free cannabis goods to any person.

Despite the fact that cannabis has been legally available to qualified medical patients in California since 1996, there exists a huge knowledge gap among cannabis consumers, particularly new or returning adult-use consumers. A retailer's ability to offer free samples

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

will go a long way in closing that knowledge gap, helping to educate consumers regarding efficacy, dosage, consumption methods, strength, quality, taste, smell and personal preference. Cannabis is not a one-size-fits-all product. Every body processes cannabis differently, and sampling will enable consumers to evaluate products based their specific and unique reactions prior to purchase. In addition, allowing manufacturers to offer samples to retailers will serve to educate retail staff who are often the first (and sometimes only) source of information for consumers.

The ability to give out free samples is especially important when considering cannabis compassion programs and the fact that the industry has a demonstrated commitment to helping those in need.

Recommendation: Adopt policy similar to the pharmaceutical industry where manufacturers are allowed to offer free samples to physicians who may then pass on the products to their patients. Mark sample products clearly as "not for sale" and limit the quantity/size of sample to a single serving/dose.

Sampling (for testing) in final form: BPC § 26100(b) & CCR § 5705(b) and (c): (ISSUE): Requiring the full battery of laboratory tests on every batch of final-form product is both economically onerous and scientifically unsound.

On the economic front, this will be a nearly insurmountable cost for small manufacturers. Testing each batch for potency, residuals, pesticides, microbiologicals, and heavy metals will end up costing many hundreds of dollars and likely result in delayed terms of payment for wholesale product. Small manufacturers will thus be asked to front thousands of dollars of capital for testing and will be forced to invest heavily in raw materials without being able to create revenue, or will be forced to create batches much larger than their sales volume, and edible products do have a shelf life. And even if a small manufacturer can afford all of the capital outlays, the additional cost will greatly burden their COG's and force them to pass along those costs to adult use consumers and medical patients.

For manufacturers and established manufacturing processes, this testing regimen is scientifically unsound. For a manufacturer our raw cannabis materials are tested before we incorporate them into our finished products. Our DPH-approved standard operating procedures (SOP's) and critical control points (CCP's) are designed in compliance with FDA and good manufacturing practices guidelines to ensure accurate potency and sanitary and safe manufacturing processes. Furthermore, the incorporation of other, non-cannabis raw materials into a finished product is no different than in many other regulated industries, such as food, beverages, and cosmetics, and it does not seem logical to hold us to higher laboratory testing requirements than those industries. We believe that the standards already laid out by the FDA and the CDPH protect public health and safety with regard to manufactured goods.

We would recommend requiring manufacturers to obtain full testing results for all cannabis raw materials (ingredients) and keep those results on file for an adequate period of time. Non-cannabis raw materials and other ingredients can be regulated in parity with FDA regulations as outlined in 21 CFR 117 Subpart G, which details the FDA verification process that ensures the safety of the ingredient supply-chain. And as for the final form product, we would recommend periodic testing once the previous two requirements are met.

Testing Manufactured Goods : ISSUE - A 10% MOE for edible cannabinoid testing is far too strict.

Recommendation: Allow a 20% margin - similar to current FDA food standards - especially in light of the current MOEs that most labs carry specific to edible products.

Batch Production Record & 2nd person for quality control: CCR § 40264: Recommendation: Allow flexible options for licensees to perform the verification. Please do not require that the person verifying be a formal employee of the licensee, as this will create a huge additional cost for licensees that can conduct most operations with a single operator, but can retain services from a qualified individual to perform the verification steps. Allow the SOPs to define the critical control points at which such verification is necessary and effective.

Reporting ownership changes to DPH: CCR § 40178: The licensee shall notify the Department of the addition or removal of an owner occurring any time between issuance of a license and submission of an application to renew the license within 10 calendar days of the change. The new owner shall submit the information required under Section 40130 to the Department. The Department shall review the qualifications of the owner in accordance with the Act and these regulations and determine whether the change would constitute grounds for denial of the license. The Department may approve the addition of the owner, deny the addition of the owner, or condition

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the license as appropriate, to be determined on a case-by-case basis.

Recommendation: Allow licensees 30 calendar days to notify the state.

Local taxation, and fair market burdens: The legalization of cannabis was meant to provide customers and patients with safe access to cannabis as well as provide the state with additional revenue. However many local jurisdictions have also imposed gross receipts tax on cannabis businesses that far outweighs the taxation on any other industry. Combined with state excise tax, and the complexity of the supply chain, this results in lower margins, and can make small businesses non-competitive with the larger market solely based on where they operate.

Recommendation: In order to give the entire industry a level playing field no matter where they operate, and to control the overall tax burden of a new industry, we propose capping county and municipal level local gross receipts taxes on manufacturers at 2%. Please also clarify tax collection as it relates to manufacturers.

Security Systems: CCR § 5044: Security systems are another barrier to entry for small businesses but there are a wide range of affordable systems which are extremely modern and up to date for those affordable cloud based services offer a maximum of 60 days of footage and record 5 minutes clips based on motion rather than 24-hour continuous recording. 24 hour continuous recording is more than any other industry and requires costly custom installations with large external storage systems. We love the idea of a cloud based system and it makes sense to set the regulations to match the standard met by the best modern security systems.

Recommendation: allow operators to capture 60 days of footage instead of 90, and allow footage to be captured when motion is detected rather than 24/7."

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FOR "Delivery/Retail Subcommittee:"

"5411. Free Cannabis Goods: (a) "A retailer shall not provide free cannabis goods to any person." -- {ISSUE} Despite the fact that cannabis has been legally available to qualified medical patients in California since 1996, there exists a huge knowledge gap among cannabis consumers, particularly new or returning adult-use consumers.

A retailer's ability to offer free samples will go a long way in closing that knowledge gap, helping to educate consumers regarding efficacy, dosage, consumption methods, strength, quality, taste, smell and personal preference. Cannabis is not a one-size-fits-all product. Every body processes cannabis differently, and sampling will enable consumers to evaluate products based their specific and unique reactions prior to purchase. In addition, allowing manufacturers to offer samples to retailers will serve to educate retail staff who are often the first (and sometimes only) source of information for consumers. The ability to give out free samples is especially important when considering cannabis compassion programs and the fact that the industry has a demonstrated commitment to helping those in need.

Recommendation: Adopt policy similar to the pharmaceutical industry where manufacturers are allowed to offer free samples to physicians who may then pass on the products to their patients. Mark sample products clearly as "not for sale" and limit the quantity/size of sample to a single serving/dose.

Promotional Samples: BPC § 26153, CCR § 5411(a) and (b), RTC § 34011(a)(1) and (e): ISSUE: Sampling is the most effective way for patients to discover the treatment methods that work best for them through firsthand experience. Medical cannabis products can be high-priced, and patients may be reluctant to spend money to find the best method of intake for them. However samples can be both properly tested, and distributed through the track and trace system to safely allow patients to experience new products. Cannabis has been deemed by the state to be safe for recreational use by adults, and dispensaries can only admit consenting adults. It's reasonable to assume sampling on-site can be done safely.

Recommendation: We propose samples be allowed for the purpose of patient education, and that they be distributed through licensed distributors using the same testing requirements as retail product. The chain of custody is managed under the proposed safety

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

distributors using the same testing requirements as retail product. The chain of custody is preserved under the proposed safety compliance channels, ensuring sampling is a safe and effective way to educate.

(b) A licensed dispensary shall not allow representatives of other companies or organizations to provide free samples of medical cannabis goods to individuals on the licensed dispensary premises. {ISSUE} - Suppliers need to be able to offer sales samples to dispensary buyers. The only way a dispensary will consider adding products to their menu is when they are able to sample the retail unit that they would purchase for patients and consumers.

Recommendation: We would like to see concessions that allow sales samples to be given away to prospective buyers as a B2B function. All retail units will go through the track and trace system, but a sensible allowance of 4% of product may be allocated for sales samples strictly for the purpose of B2B account establishment. We also recommend that for the purpose of B2B non-commercial sales prospecting, samples should be allowed to be delivered by type II distributors, as these products will not be for sale.

(a) (1) Effective January 1, 2018, a cannabis excise tax shall be imposed upon purchasers of cannabis or cannabis products sold in this state at the rate of 15 percent of the average market price of any retail sale by a cannabis retailer: ISSUE -- Sales and promotional samples should be exempt from excise tax, and these are B2B tools for business development, and not for commercial use. It's unreasonable to burden a sales sample with the full tax of a sellable product, and this will lead to more delays to getting product into the market which will ultimately drive more tax revenue for CA. It also helps ensure that small suppliers can compete, facilitating the diversity of products offered to consumers.

Recommendation: We recommend that samples either be non-taxable items to match other industries, or, that they be taxed on the sample rate they were sold at instead of based on the standard markup.

5417. Methods of Delivery: (a) A retailer's delivery employee, carrying cannabis goods for delivery, shall only travel in an enclosed motor vehicle operated by a delivery employee of the licensee. {ISSUE} -- The last thing a busy municipality needs is more cars on their streets. Allowing deliveries to be conducted by delivery employees via scooter, motorcycle, bicycle or even on foot would help alleviate congested roadways, ensure faster, safer deliveries and cut down on harmful emissions to the environment. Cannabis storage in an enclosed and secured compartment is still possible in an unenclosed vehicle. In addition, prohibiting delivery vehicles from carrying no more than \$3,000 worth of inventory is counterproductive to public safety. This cap, which forces delivery drivers to make more frequent trips to and from the retailer, increases the likelihood that the driver will be a target of theft and other dangers. This is also less environmentally sound.

Recommendation: Method of delivery may be more appropriately regulated at the local level, given different population density and geography.

Remove the cap on inventory to allow a dynamic delivery model.

Do not require printed manifest for delivery.

Drivers should be able to get TNC (Transportation Network Company) numbers to share insurance and use the driver's personal vehicles. Lyft and Uber use this model successfully.

5420. Delivery Request Receipt: "A retailer shall prepare a delivery request receipt for each delivery of cannabis goods." {ISSUE} -- Type 9-Non-Storefront Retailers are prohibited from allowing public access to their premises. Requiring that the delivery request receipt include the address of the non-storefront retailer presents unnecessary and unsafe exposure for the non-storefront retailer. Not only does calling out the address invite criminal entities to the premises, it also signals to the consumer that their presence is allowed and encouraged.

Recommendation: Use the retailer's license number rather than address on the receipt. Tracking is still possible, but this method reduces security risks.

\* Related: Address of Type 9-Non-Storefront Retailers should not be listed on the BCC website for the same reasons listed above.

Expand allowable event locations: BPC § 26200(e) ISSUE: -- Offer the ability to host an event with the option to purchase single use permits or a repeating event permit. Allowable locations should be broadened beyond county fairs and district agricultural associations



## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

permits or a repeating event permit. Allowable locations should be broadened beyond county fairs and district agricultural associations. Event licensing should not eliminate existing (pre-MAUCRSA) small businesses, many of which have served patients for years and are an important part of the community. Regulators are concerned about educating new consumers. Dinner parties, yoga classes, and small gatherings provide safe and legal consumption experiences. They are excellent opportunities for direct education, perhaps more impactful than a flyer or pamphlet because they are interesting and interactive. Tourists will be able to select a supervised/guided experience, rather than purchasing and consuming on the street (and receiving a citation) or in a hotel room alone. Such events also contribute to the normalization of cannabis. There is a substantial therapeutic benefit in combining cannabis with wellness activities.

In terms of criminal justice, the scarcity of consumption locations and opportunities for consumers to enjoy cannabis creates a new form of criminalization. Existing consumption opportunities are incredibly limited and cannot accommodate demand. The law encourages consumers to consume in violation of the law, by having legal ways to purchase without sufficient legal ways to consume. This is an equity issue, as consumption in public housing is not allowed. Those consumers will have limited legal options to consume compared to a person of greater means who owns their property and cannot be restricted from consuming in their home."

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FOR "Distribution Subcommittee":

"Taxation: The existing tax structure pushes small and medium sized businesses out. Recommendation: Shift cultivation tax to one percentage-based number at the point of sale. Shift excise tax liability to retailer, rather than having retailer pay distributor in advance before collecting the tax from the consumer.

Create greater efficiency and clarity in the tax. Makes it more transparent for consumers, who should understand the taxes they are paying.

Medical patients shouldn't have to pay the excise tax, which is essentially a 'sin tax.' Requiring this is like charging an excise tax on prescription medications.

Commercial vehicle ownership: Recommendation: Allow employees to incorporate and own their vehicles. This is more cost-effective. Follow the TNC model (Lyft/Uber).

Relabeling by distributors: CCR § 5303: A manufacturer places test results on label. Distributors can't relabel after test results, even if testing shows different values; they can relabel THC but not CBD, terpenes. There is also a related issue of different testing results from labs using different methodologies that should be corrected through standardization. Suppliers need to be able to tell the distributors which labs have protocols that are effective for the product type. Please clarify acceptable variance and whether products need to be relabeled if test results are within that margin.

Recommendation: Allow distributors to relabel for CBD and terpenes; standardize testing methodologies or allow suppliers to specify labs that utilize compatible methodologies; allow a 20% margin for different testing labs' results."

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For "Equity Subcommittee":

"Shared spaces: CCR § 40190-40199: We are in full support and excited about shared manufacturing spaces! We urge you to define and communicate this legislation quickly as the lack of this legislation negatively impacts our equity partners/incubators and small manufacturers. Licensing fees have become a barrier to entry for small businesses and equity incubators. By allowing shared spaces, small businesses can afford to obtain zoning-compliant spaces and enter the regulated market.

Recommendation: We request you to consider allowing shared equipment for non extraction related equipment. With the proper GMP's and SOP's in place there should be little to no risk of cross contamination. This is similar for mobile bottlers in the alcohol industry or co-packers in the traditional food industry.

We urge you to avoid any language defining or capping square footage, number of employees or businesses per premise. There are significant safety measures put in place by the Fire Department as well as the Department of Public Health to address any concerns

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

significant safety measures put in place by the Fire Department as well as the Department of Public Health to address any concerns regarding limitations to shared food processing and building safety.

Finally, please allow licensees in shared spaces to have shared storage. This will help small businesses to afford the costs of compliance. Shared locked cages for product are economically practical and guidelines may be specified to ensure each licensee's products remain separate within the cage.

Extend time to conduct business irrespective of M & A designation: CCR § 5029: Licensees may 'cross over' between A and M until 6/30/18. The requirement of 2 separate licenses, when cannabis and products are subject to nearly identical quality control and public health requirements, creates an equity issue.

Recommendation: Thank you for including the 6 month transition period! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses, which is especially acute for equity businesses."

-----

FOR "Cultivation Subcommittee":

"Eliminate or moderate the Trim Tax: This substantially increases the expense for suppliers and consumers. Compassionate Use: Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029: Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses."

THANKS FOR SHARING! <3 We need ALL OF YOU TO HELP to ensure we have a fair, equitable industry that allows all business types & sizes to thrive!



#45

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 3:59:01 PM  
**Last Modified:** Wednesday, February 21, 2018 4:02:33 PM  
**Time Spent:** 00:03:32  
**IP Address:** 71.146.1.86

Page 1

**Q1 First Name (Optional)**

Genine

**Q2 Last Name (Optional)**

Coleman

**Q3 Organization (Optional)**

Mendocino Appellations Project

**Q4 Title (Optional)**

Executive Director

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Comments for CAC Cultivation Sub Committee 2/21/18

Genine Coleman  
Executive Director  
Mendocino Appellations Project  
genine.coleman@mendomap.org

CAC Stakeholder Input:

First of all I would like to thank the Department of Consumer Affairs, the Bureau of Cannabis Control, the California Department of Food and Agriculture, the California Department of Public Health and the esteemed members of the Cannabis Advisory Committee for providing this crucial forum for stakeholder input.

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

California faces a challenge distinct amongst states regulating commercial cannabis production in the United States, and that is our deeply entrenched and prolific pre-regulatory cannabis industry which runs generations deep and state wide. It is California's unique challenge and opportunity to transition this endemic economy, culture and craft gracefully into a new regulated iteration.

Those of us living in legacy cannabis producing regions expect, and many also accept, that regulations will bring loss, change, new enterprise and opportunity as well as some measure of upheaval to our regions. We also expect that cannabis regulation will not turn our regions upside down in short order, economically or culturally, because we trust that regulators and legislators will hear stakeholders when we come to these forums and tell you, all is not well at home.

When we come back next time we hope to be able to say, thank you, it's working better now. Through these forums we hope to help shape regulation that builds California cannabis into an industry that protects it's pioneers, holds them in esteem and offers clear pathways for them to enter into licensing. Thank you for the opportunity.

### Mendocino County:

We in Mendocino are among the most fortunate of these legacy producing regions. Our county government has supported local cannabis regulation programs for some time. Our cannabis community and county government are learning from each other, working over time to establish mutual support and effective policy. In some respects this is still a relatively new and somewhat tentative dynamic, given that we are in a collective process of moving beyond decades of cannabis prohibition while rapidly building and entering into an extensively regulated framework. Gratefully, we are finding understanding and shared goals, and working together to build a future where Mendocino County embraces it's heritage of small-scale family-farming of cannabis.

We need your help to make this work. Mendocino County cannabis industry is composed predominantly of small to cottage scale legacy cultivators, largely struggling to enter the regulatory framework. Compliance with state resource agencies and tax requirements are coming at too high of a cost for us, increasingly. Regulatory timelines are eliminating people's ability to defray start up costs over time, while we remain ineligible for traditional lending. It is extremely hard to budget and project financials for an actively transforming California industry. The vast majority of our cultivators stepping forward to permit and license are in some way out of compliance due to agency delays, and in the interim vulnerable to enforcement and revenue interruption. Our rural regions are lean on professional service providers, suddenly essential to launching new businesses and navigate the compliance process. Those most vulnerable within our producing community are our elders and children, and so we are tasked with bringing an entrenched legacy cannabis economy successfully into regulation as quickly as possible. The race to educate and organize ourselves as citizens, government and industry members has been running full steam as a local crisis for years. We are in need of some reprieve. The will to transition into licensing is strong with legacy operators in Mendocino, as well as with local government. Mendocino County is an extremely viable producing region for regulated California cannabis. We need more time and support.

### Direct Sales, Events and Microbusiness:

Vertical integration and direct sales will secure the future for legacy producing regions challenged by production limits, unable to effectively compete on the emerging commodities market. Craft cannabis is Mendocino's future, and agri-tourism opens many viable economic doors for us. Regulatory provisions for on-site consumption, cannabis farm stays, and direct to consumer sales for our farmers, manufacturers and nurseries at local and regional cannabis events will allow our region to thrive within California's regulated system. Expanded venue allowances for events is an immediate need.

Recommend modifying section 5500 Microbusiness (d): Specifies that all cultivation, manufacturing, distribution, and retail activities performed by a licensee under a Type 12-microbusiness license shall occur on the same licensed premises. This requirement severely disadvantages rural cultivation communities which have significant zoning and land use obstacles to co-locating cultivation production with manufacturing, distribution and retail on a single premise. These rural cultivation communities are relying on vertical integration and direct consumer sales to support a viable local cannabis industry. Recommend allowing rural microbusinesses to conduct licensed activities on separate premises.

### Definition of Cottage and Specialty Cottage Cultivation:

The exclusion of a square footage conversion with these license types is an artifice of prohibition-based plant count limits. Regulated commercial cannabis production is an agricultural endeavor, and cottage outdoor cultivators should be free to employ all methods of

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

cultivation, including sea of green methodology, the same as any other agricultural crop. Cottage farmers are impacted disproportionately by this and other remnants of local prohibitionist policy. We are looking to state licensing authorities to frame cannabis production as agriculture, essential to supporting legacy production regions struggling with embedded prohibition-based misunderstandings within their regions.

### Tax Structures:

Recommend lowering cultivation taxes, and basing them upon percentages of revenue, instead of fixed rates associated with production. The wholesale value of cannabis products varies considerably between cultivation methods and cultivars. The present tax structure inflates the cost to both the producer and consumer to such a degree that it incentivizes illicit sales which undermines the entire regulatory framework.

### Production Caps:

The future for regulated cannabis production in California comes down to ecologically sustainable production methods and standards. We are amidst a world wide ecological crisis and California, as the world's 6th largest economy, must shoulder the responsibility of leading in sustainable agriculture. The momentum of cannabis legalization provides us a unique opportunity to turn a definitive corner, and demonstrate through regulatory commitment that California is driving the development of sustainable agriculture.

California's immediate proliferation of unsustainable cannabis production practices through regulatory favoring of large-scale energy-intensive indoor, mixed light type 2, and climate controlled greenhouse production is negligent to an environmental responsibility that should be inherent to our region.

Recommend capping production scales and licensing associated with these energy intensive production methods, and simultaneously incentivizing sustainable production methods by offering tax credits, educational grants and reduced licensing fees to these operators.

One size fits all regulatory provisions such as acreage caps are not appropriate to blanket across all production methods or regions.

### Cooperative Caps:

The 4-acre cap on cooperative farm members is creating barriers for legacy cultivation regions comprised exclusively of small, speciality and cottage producers from accessing the full utility of the cooperative model. As more legacy cannabis farmers come forward to permit and license in Mendocino, the need to remove or increase the 4-acre cap on cooperatives becomes imperative.

### Geographical Indication Programs:

SB94 mandates that CDFA develop and implement two geographical indication programs for California cannabis; the County of Origin program, to be implemented this year; and the Appellation of Origin Program, to be implemented in 2021.

Appellation of origin designations will serve as the backbone of the California craft cannabis industry, rooting it in provenance and heritage. The inclusion of standards, practices and varieties within the designation ensures authenticity and replicable quality of product. This in turn ensures consistent value for the cultivator, manufacturer, distributor, retailer and consumer.

These geographical indication programs are invaluable to legacy cannabis producing regions competing in the California market, and exponentially so when inter-state and international commerce for California cannabis is available.

Recommend the CAC Cultivation Sub Committee works on developing recommendations for these statewide geographical indication programs.

Thank you all for your consideration and dedicated hard work to develop comprehensive regulatory frameworks for California cannabis.

## #46

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:02:47 PM  
**Last Modified:** Wednesday, February 21, 2018 4:06:36 PM  
**Time Spent:** 00:03:48  
**IP Address:** 71.146.1.86

Page 1

### Q1 First Name (Optional)

Genine

### Q2 Last Name (Optional)

Coleman

### Q3 Organization (Optional)

Mendocino Appellations Project

### Q4 Title (Optional)

Executive Director

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

### Q6 Feedback for Subcommittee

Comments for CAC Cultivation Sub Committee 2/21/18

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Executive Director  
Mendocino Appellations Project  
genine.coleman@mendomap.org

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## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

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## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

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#47

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:16:42 PM  
**Last Modified:** Wednesday, February 21, 2018 4:17:02 PM  
**Time Spent:** 00:00:19  
**IP Address:** 172.10.166.97

Page 1

**Q1** First Name (Optional)

Tony

**Q2** Last Name (Optional)

Bowles

**Q3** Organization (Optional)

Americans for Safe Access

**Q4** Title (Optional)

Chair of SF Chaper

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

FOR "Cultivation Subcommittee":

"Eliminate or moderate the Trim Tax: This substantially increases the expense for suppliers and consumers.

Compassionate Use: Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

Extend time to conduct business irrespective of M & A designation: CCR § 5029: Cultivators must designate a plant on the A or M track early on. Licensees may 'cross over' between A and M until 6/30/18.

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses."



## #48

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:25:39 PM  
**Last Modified:** Wednesday, February 21, 2018 4:26:08 PM  
**Time Spent:** 00:00:28  
**IP Address:** 99.73.89.231

Page 1

### Q1 First Name (Optional)

Sarah

### Q2 Last Name (Optional)

Clark

### Q3 Organization (Optional)

Respondent skipped this question

### Q4 Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

### Q6 Feedback for Subcommittee

Eliminate or moderate the Trim Tax: This substantially increases the expense for suppliers and consumers. Compassionate Use: Recommendation: Create policy that allows for and encourages donations to compassion programs. Associated tax and administrative provisions should not penalize suppliers who provide free goods to such programs.

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#49

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:31:02 PM  
**Last Modified:** Wednesday, February 21, 2018 4:31:22 PM  
**Time Spent:** 00:00:20  
**IP Address:** 108.163.144.36

Page 1

**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. Cultivators Subcommittee

**Q6** Feedback for Subcommittee

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#50

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:40:01 PM  
**Last Modified:** Wednesday, February 21, 2018 4:40:51 PM  
**Time Spent:** 00:00:49  
**IP Address:** 108.163.144.36

Page 1

**Q1** First Name (Optional)

adam

**Q2** Last Name (Optional)

swift

**Q3** Organization (Optional)

Phytologie oakland

**Q4** Title (Optional)

concentrates manager

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

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#51

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:36:20 PM  
**Last Modified:** Wednesday, February 21, 2018 4:41:45 PM  
**Time Spent:** 00:05:25  
**IP Address:** 71.93.47.252

Page 1

**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. **Cultivators Subcommittee**

## Q6 Feedback for Subcommittee

Regarding Section 8301: "Seed Production Requirements for Nurseries"

The proposed emergency regulations for nursery cultivation operations are primarily concerned with the necessary methods of adherence to the overall regulatory framework of track and trace, UIDs, waste material security, hygiene of clone stock, and the authorized transport of clones to licensed cultivation operations. Beyond the production of clones, nurseries may also produce seeds which are often preferred by cultivators due to more rigorous growth and less reliance on pesticides and other contaminants than that typically used on cannabis clones. Although there is a clear rationale for separating mature plants into designated Research and Development areas, commonly referred to as "mother rooms" for nursery operations working on a clone production business model, there is little treatment in the emergency regulations as to how a nursery operating along a seed production business model may use mature plants.

Research and development of wholly new genetic variants of cannabis is both a costly and indeterminate endeavor but it benefits the overall cannabis industry by developing new cannabis strains resistant to pests and other environmental afflictions, increase efficiency of water usage, produce novel cannabinoid profiles, and boost overall crop yields. Just as in conventional agriculture, innovation is necessary for the overall success of the cannabis industry and any regulatory framework. Although it is discussed in the CalCannabis EIR, there is no acknowledgment in the emergency regulations that seed production requires the growth of large quantities of mature plants, the non-seed material of which is then "prohibited from entering the commercial distribution chain."

This specific restriction will limit the commercial viability of many nursery operations, especially as many local jurisdictions are choosing to tax nurseries at the same rate as other cultivation operations. In addition to propagating cannabis seeds, viable cannabinoid-containing mature plants with significant quantities of water and other resources invested into producing material that under current emergency regulations must be disposed of, rather than being transported to licensed manufacturers for extraction purposes. It is suggested that weighing of mature plant material, creation of corresponding batch information for mature plant material and an overall mechanism for integrating these valuable materials into the commercial marketplace should take place after the retrieval of seeds to best assure the commercial viability of California's cannabis seed stock and to ensure agricultural innovation within the cannabis industry. Thank you for your attention on this matter.

#52

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:40:40 PM  
**Last Modified:** Wednesday, February 21, 2018 4:43:08 PM  
**Time Spent:** 00:02:27  
**IP Address:** 70.36.132.230

Page 1

**Q1** First Name (Optional)

Ron

**Q2** Last Name (Optional)

Edwards

**Q3** Organization (Optional)

CKA Nursery

**Q4** Title (Optional)

Owner

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

The streamlining of the A or M designation should take place at the time of sale. We also need a cottage nursery license as most are small and struggling to expand to meet the increasing demand. Seed sales also need to be defined

#53

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:48:44 PM  
**Last Modified:** Wednesday, February 21, 2018 4:49:22 PM  
**Time Spent:** 00:00:37  
**IP Address:** 184.23.232.50

Page 1

**Q1** First Name (Optional)

David

**Q2** Last Name (Optional)

Hua

**Q3** Organization (Optional)

Meadow

**Q4** Title (Optional)

CEO

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**



**Q6 Feedback for Subcommittee**

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#54

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:44:35 PM  
**Last Modified:** Wednesday, February 21, 2018 4:54:47 PM  
**Time Spent:** 00:10:11  
**IP Address:** 208.186.48.170

Page 1

**Q1 First Name (Optional)**

Mikal

**Q2 Last Name (Optional)**

Jakubal

**Q3 Organization (Optional)**

Plant Humboldt LLC Cannabis Nursery

**Q4 Title (Optional)**

Owner

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6 Feedback for Subcommittee**

Hello,

I am the founder and owner of Plant Humboldt LLC cannabis nursery in Humboldt County. I'm in the licensing process, awaiting a zone reclassification on my parcel. Humboldt County's policy for the last two seasons has been that if you're diligently pursuing compliance, you can continue to operate until permits become available. This spring will be my third season as an open-to-the-public production-to-retail cannabis nursery. Prior years' sales have been under 215/420 medical-use guidelines, but this year I'll be expanding to include adult use ("AU") sales of small quantities to anyone over 21 years old. ☐ ☐ I will be submitting these comments to multiple committees.

To understand my comments and suggestions, I will need to walk you through how my operation works, since it is somewhat unique in the cannabis industry, though completely normal in the non-cannabis nursery world.

☐ ☐ I sell two main products: 1) seed-grown, sexed female plants in large pots; and 2) clones rooted into dirt and sun-acclimated ("hardened off"). All are grown outdoors or in open-air cold frames.

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□□("Teen" is an informal industry term for plants bigger than seedlings or cube-rooted clones, but not yet flowering. They can range anywhere from a rooted clone in a 3" pot of dirt to a 4' tall plant in a large pot. I use the term in my comments for expediency.)□□

I start thousands (and this year, tens of thousands) of seeds, grow them out, determine sex, cull the males, and sell the female plants retail. I bring in rooted clones in typical 50/100-pack trays, pot them in dirt, and sell them when they're rooted, growing and acclimated to the outdoors.□□Everyone pays sales tax unless they have a state Seller's Permit or (starting this year) a state-recognized medical marijuana card.

I keep inventory and production records from seed to sale, like any normal plant production operation.

As with any nursery, people pick out their own plants and transport them to their licensed commercial cultivation sites or AU/medical gardens. This is a retail operation, no different than any other retail nursery that also grows their own plants for sale.□□To repeat, it is an outdoor nursery catering mostly to seasonal outdoor growers. It is not an indoor clone factory. The plants I grow and sell are not little cuttings, but large, leafy, heavy, perishable and of relatively low value to criminals. This all has to be taken into account when reading my comments about transport, retail sales, security, distribution and so on.

Further, this kind of nursery takes up vastly more space than an indoor clone factory. The nursery starts with a small area of seedling pots and then rolls out to cover five times that area for a short time once the plants are repotted. Then once plants are sold off, the retail and propagation space contracts back down to nothing and closes for the year in late summer once the last plants are sold. □□

As someone with an actually-operating nursery, I have a vested interest in making the regulated cannabis system work and so welcome any opportunity to walk regulators through my operation to help you better understand what I actually do. Rules that are not informed by the actual experience and needs of actual operators will be unworkable for everyone. I understand that this is very new terrain, but that makes it all the more important to take feedback from those of us in the industry seriously. Please feel free to contact me for a personal site tour.

□□I will start comments with a few that are specific to existing sections and follow with more general ones. □□

### 8000 Definitions

(v) "Nursery" means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

8201 (e) "Nursery" is a cultivation site that conducts the cultivation of cannabis solely as a nursery.□□

"Nursery" must be defined to specifically include retail sales. This is where commercial medical and adult use growers, personal adult use and medical use growers, and medical collectives (through 2018) can all purchase plants. □□There is no difference between commercial, medical and adult use except for the tax collected. As with any other nursery, a grower providing a CA DTFA Seller's Permit will not be charged sales tax and their Seller's Permit number will be kept on file. Customers with a valid county-issued, State-recognized medical card will not be charged sales tax and their card number will be recorded with the sales receipt. All others will pay local sales tax. Commercial, wholesale, retail, medical and adult use are all perfectly compatible with a normal nursery operation. □

□This is a normal nursery operation. That sells cannabis starts.□

8202 (d) Licensees are prohibited from transferring any commercially cultivated cannabis or non manufactured cannabis products from their licensed premises. All transfer of cannabis and non manufactured cannabis product from a licensed cultivation site must be conducted by a distributor licensed by the bureau.

□□This must be clearly amended to indicate it does not apply to nurseries and plant sales. Anyone who can legally possess live plants must be able to transport the plants themselves. An adult use customer who purchases plants retail must be able to transport the plants to their home garden. A commercial farmer must be able to transport live plants directly from the nursery to their cultivation site. □□That is how it works.

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Distributors and retail cannabis shops are not set up to maintain live plants except trays of clones for very short periods of time. Large seed-grown plants and clones in “teen” form (i.e. larger nonflowering plants) take up enormous space, are heavy, fragile and perishable. Nurseries are places that are set up to grow and sell plants. Pot shops are set up to store and sell finished products. Do not require that they be mixed. It does not work.

It is not possible to require that 200 3'-tall plants in grow bags, for instance, be hauled to a farm by a distributor. All legal cultivators must be allowed to choose their plants and transport them directly from the nursery. That is how it works.

If a distributor chooses to set up the ability to transport plants, they are welcome to offer that service to growers or nurseries. But it must absolutely never be a requirement.

(f) Except as provided in section 8209, a licensee may hold both an A and an M license on the same premises, provided the inventory for each license type is kept separate and distinct. ☐ ☐

This must be amended to specifically exclude nurseries. Separation of inventory is not possible at a viable commercial scale, nor would it accomplish anything productive. There is no difference between A and M plants, other than the sales tax charged and the number of plants that can be purchased. ☐ ☐ There is also no reason whatsoever to require duplicate licenses. Nurseries must be expressly exempt from any A/M designation. ☐ ☐ Remember, we're referring to normal nurseries that grow and sell plants, not indoor clone factories. Outdoor production/retail nurseries cannot be subject to the same mindset and rules as indoor clone factories.

(g) A licensee shall not sublet any portion of the licensed premises. ☐ ☐

This unnecessarily limits creative entrepreneurship and opportunities, especially for smaller operations and rural businesses who will likely need to rely on diverse sources of income. As a nursery, I should be able to sublet my R&D area to another company. ☐

☐ Example: as a nursery operator, I don't have time to do my own breeding, so that means that the R&D part of my outdoor cultivation site will have to be fallow. I have a friend who is a long-time seed breeder whose property is not zoned appropriately. They are thereby excluded from the regulated market, despite wanting to be part of it. I would like to lease the R&D area of my nursery to them. There is no logical reason to prohibit this. ☐

Another example is where someone obtains a license for their small cottage farm, but is no longer physically capable of maintaining it. This will become more and more common as many of the original cannabis farmers of the North Coast age out of the business but want to remain on their land. Many of these people do not have much in the way of retirement savings, so being able to sublet their licensed cultivation site will be vital. ☐ ☐

Another example: My nursery has multiple enclosed cold frames that are only used seasonally for starting seeds in February in Humboldt County where it is too cold and rainy to start them outdoors. I'm done with the spaces by August. I could potentially lease this space from August to February to cultivators, providing me an off-season source of income.

Another potential example: A licensee builds out a permitted processing facility, but finds they've built out double the capacity they can use and are facing financial hardship. They should be able to sublet the other half of the space. ☐

A license should be decoupled from a specific geographical location. This makes sense and allows for maximum flexibility and adaptation in a rapidly changing industry. So, ideally, an owner of a premise can get a license and operate the business themselves (current model); or a premise owner can license a space and sublet to another licensee who has no physical location, but has met the other requirements of a licensee (background check, registration in track and trace, etc.).

☐ ☐ It is burdensome to require all licensees to also own or lease and be responsible for their own premises. There is no reason the cannabis business license held by a person or company and a premise license have to be locked together. ☐ ☐ In the case of my seed-breeder friend, they should be able to go to the county and get a simple business license and then go to the state and get a cannabis license. They would lease from me (on my licensed premises), but own all their product, pay their own taxes, be subject to track and trace, etc. Just like any other business. This would allow them to further develop their existing brand and markets without the burden of

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having to buy property they can't afford.

8300 Licensees propagating immature plants for distribution or seed for distribution to another licensee shall obtain a nursery license.

Commercial cultivators and adult use and medical use growers must be able to trade strains (in seed or clone or “teen” form) within reasonable limits. This is a long-standing North Coast tradition and is partly responsible for the diversity of strains available.

Many cultivators choose to propagate their own stock. Any smart farmer will plant a large cushion of extra seeds or cut many extra clones in case of failure. If all these extras survive, they should be allowed to be made available to others. No other ag industry is forced to throw away perfectly good plants.

A solution would be to allow transfer of plants and seeds to other cultivators and to nurseries up to a certain quantity/value, after which a nursery license would be required. There is a provision in CDFA rules for non-cannabis nurseries to get a no-cost license through the county Agricultural Commissioner to sell small amounts of plants within the county (e.g. at farmers markets), so there is precedent for this outside of cannabis. □□ The cannabis industry thrives on novelty. Trends change rapidly and new strains enter the market constantly. As a nursery, I need to be able to keep up with these trends and obtain “genetics” (i.e. new strains) from any source that has them.

As a nursery, I should reasonably be able to obtain small amounts of seeds, clones or teens from anyone who themselves is legally allowed to have them. □□ If (valuable!) extra plants cannot be legally traded, this encourages undetectable and unenforceable illegal diversion to the unregulated market.

8301 & 8302 research and seed production plant products cannot enter the commercial distribution chain. □□

The implication here is that such material should be destroyed. In the real-world, this will encourage the material to be diverted to the unregulated market. □□ Example: large, full-season test plants are grown outdoors to see how a new strain handles mold and early rains, or to see how productive a strain is, or to provide photo ops for next year's advertising or as a novelty “who can grow the biggest plant” attraction. Outdoor plants, even if seeded, can become gigantic.

□ Even plants grown for seed may not be entirely seeded and therefore produce cannabis flowers useful for extracts. □□ A solution would be a provision for a limited amount of material to be sold to licensed processors. If the concern is that nurseries become primarily cultivation sites, then something limiting that ability could be written. Blanket prohibitions against any production do not accomplish that.

The emergency rules are silent on the size of nursery R&D areas. In the real world, R&D can be done indoors for flower tests or short-rotation breeding cycles in 200 ft/sq.; or it can be done outdoors over an acre for large-scale “pheno-hunting” seed tests and other selection processes that require a large number of sample plants grown to full term. This is where the conflict with cannabis entering the commercial chain comes in. Such breeding operations are crucial to the future of a healthy cannabis industry (as with any ag product), but in the process may generate significant amounts of potentially useable and valuable cannabis flower. These operations are also expensive, so the ability to sell the flower can help offset the cost of breeding trials.

□□ I do not have any specific suggestions for resolving the apparent conflict between nursery R&D areas and cannabis product entering the marketplace. But I urge you to work actively with a diverse set of existing nursery and seed production licensees (or temp licensees) so that the needs of the real-world cannabis industry can deeply inform regulations in a way that meets the needs of regulation, but does not stifle innovation and opportunity. □

\* \* \*

### Nursery Size

The emergency rules as written are silent on the size of nurseries. I have no suggestions at present other than to be very, very aware of the difference in size, plant numbers and seasonality of indoor clone factories and outdoor seasonal nurseries like mine. A year-round

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indoor clone factory will produce 100 times the plant count in a fraction of the space over the course of a year, so any regulations based on that will be inappropriate for an outdoor nursery.

\* \* \*

### Nursery Security

This should be left to local jurisdictions to decide, as each area will have different requirements. An indoor clone factory in an urban industrial area will have different needs than a seasonal outdoor nursery in a rural agricultural area like mine.

The plants I grow and sell are heavy, perishable, awkward to transport and have little value to criminals. A solid fence, a few strategic cameras, full-time presence and motion alarms are more than adequate.

☐

\* \* \*

### Nursery Monitoring

This ties in with security. A seasonal, outdoor, production/retail nursery does not need a vast array of cameras. Any security system is for the benefit of the nursery, based on perceived level of risk. Rural farms and nurseries cannot be subject to excessive rules about vast camera networks and remote webcams. Our Internet connections are often slow and expensive, if they even exist.

Nurseries and small rural farms don't need high security or intensive remote monitoring. Those of us who want to make the regulated cannabis industry work are not the problem.

\* \* \*

### Nursery Access Restrictions

Cannabis plants are plants. Like any other plants. Like any other nursery, people come to my nursery because they can pick out their own plants. This means they can walk virtually anywhere. I believe that nurseries should be required to follow the same rules as stores that sell liquor. To buy alcohol—or cannabis plants—you have to be 21 or over, but you can walk around a super market liquor aisle or go into a combo liquor store/deli at any age.

At minimum, clarification is needed on what happens when a parent has a child with them if people under 21 are not allowed to go near the plants themselves. At what age does the child have to wait in the car? (E.g. does an infant have to be left in the car while a parent shops?) How far from the cannabis plants does the child have to stay?

My nursery is not a store in a building with a clearly defined door. There is an open-air driveway where people park and load up plants. The plants are visible from the driveway. This is part of the charm and appeal of a legal cannabis nursery where you can walk around the plants and pick them yourself. For years, this activity has been underground, but can now be part of the cannabis tourism that will be the future of rural areas like Humboldt County. It is imperative that indoor clone factories do not provide the template for nursery regulations.

\* \* \*

### Nursery Track and Trace

Nurseries should be exempt from track and trace for the most part. That data does nothing to indicate whether plants are being diverted to the unregulated market or brought in to the regulated market from outside.

Plant UIDs in general do nothing. They don't show regulators any useful data and they don't show farmers any useful data. What is actually being created is a haystack mass of junk data that makes finding the compliance needles more difficult. It is mostly regulatory theater.

At best, plant UIDs shouldn't exist until the plant is flowered (but even then UIDs convey no useful information in most cases and do nothing to prevent diversion if someone wants to game the system). At the nursery level, individual plant UIDs is not a workable system.

What is workable to track the activity of a nursery is the normal production data that any good nursery will keep anyway.

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For example: I just planted 1152 (72 16-count flats of 4" pots) Dream Queen seeds. So, that lot in my database will be "021518HSCDQ" [date, breeder abbreviation, strain abbreviation; I might add some other data about temperature, weather, who planted them, etc.].

My production database will ultimately show how many of the seeds germinated and when, how many died as seedlings, how many were culled due to weakness, how many were transplanted to larger pots and when, how many were culled as males, how many were lost to other causes (mechanical damage, weakness, disease) and how many were sold and to whom (or to what type of buyer in the case of personal medical and adult use where there won't be individual records). □□

From this data, an auditor can easily determine how many plants I should have in inventory at any given moment, how many were sold and what tax was collected (and cross check that with the CA DTFA). My records might show, for example that I sold 124 of these Dream Queen female plants to Hillside Weed Farm, LLC license #1234567ABC with Seller's Permit # 000-000000. That can be quickly checked to see if that farm entered those plants into their record or not, no individual plant UID necessary.

□□An audit requires coming to the nursery in person and counting individual plants in stock. Having UIDs on plants doesn't help that process at all. An auditor would have to individually inspect up to 40,000 plants (at seedling stage). Checking that each has a valid UID barcode is impossible and pointless when plants can be simply counted by the bench/area (i.e. a given bench or row has x-number of plants), extrapolated and then that number compared against the production database.

If an auditor finds that plants are missing from the physical inventory and from the database, it's reasonable to ask what happened to them. If plants are in the physical inventory, but not listed in the database as being grown on site from seed or from clones with a purchase order traced to a licensed clone supplier, it's reasonable to ask where they came from. In neither case does having a UID tag on each plant tell anything about the missing or excess plants. □□

\*End\*

#55

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 2:50:39 PM  
**Last Modified:** Wednesday, February 21, 2018 4:57:24 PM  
**Time Spent:** 02:06:45  
**IP Address:** 104.178.12.211

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**Q1** First Name (Optional)

heidi

**Q2** Last Name (Optional)

Respondent skipped this question

**Q3** Organization (Optional)

Respondent skipped this question

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Recommendation: Thank you for including this! It would be helpful if you could extend the time frame in which licensees may conduct business with other licensees irrespective of the M or A designation on their licenses. Please reevaluate whether this policy serves a critical public health and safety function or if another solutions would achieve that aim, with a lower administrative and cost burden to small businesses.



## #56

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 4:57:41 PM  
**Last Modified:** Wednesday, February 21, 2018 4:59:28 PM  
**Time Spent:** 00:01:46  
**IP Address:** 50.255.1.237

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### Q1 First Name (Optional)

Diana

### Q2 Last Name (Optional)

Ciuca

### Q3 Organization (Optional)

Steep Hill

### Q4 Title (Optional)

Customer Experience Specialist

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

### Q6 Feedback for Subcommittee

I would like to add that any licensee is allowed to transport samples as long as it is for testing purposes only. Right now, only Distributors have that privilege -- forcing Licensees to pursue a Distribution license or partner up with a Distributor in order to ensure product quality testing. Cultivators and Manufacturers should have the ability to test their product by taking the sample to the lab without having to put extra pressure on testing labs to create a network of sample pick-ups across the state. Demands for Quality Assurance testing cannot be met by distributors alone.

#57

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 5:20:46 PM  
**Last Modified:** Wednesday, February 21, 2018 5:24:54 PM  
**Time Spent:** 00:04:08  
**IP Address:** 64.195.220.170

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**Q1** First Name (Optional)

Courtney

**Q2** Last Name (Optional)

Bailey

**Q3** Organization (Optional)

Giving Tree

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Please correct the 25 plant or 2500sf and 50 plant or 5,000sf. Allow cultivators to transport to processors. Revisit the waste requirements. Allow outdoor cultivators to use hoop houses (mixed light) for germination and propagation without having to have a separate license.

#58

**Collector:** Web Link 1 (Web Link)  
**Started:** Wednesday, February 21, 2018 7:24:15 PM  
**Last Modified:** Wednesday, February 21, 2018 7:25:12 PM  
**Time Spent:** 00:00:56  
**IP Address:** 67.181.173.0

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**Q1** First Name (Optional)

Respondent skipped this question

**Q2** Last Name (Optional)

Respondent skipped this question

**Q3** Organization (Optional)

ICFA

**Q4** Title (Optional)

Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments.

**Cultivators Subcommittee**

**Q6** Feedback for Subcommittee

Nursery Operations - The current emergency regulations offer little insight into commercial nursery operations especially in the areas of seed production and sales, A vs. M licensing, transportation, and retail plant sales. Due to the fact that nursery facilities deal almost entirely with immature plants the risk of diversion associated with nursery facilities is extremely low. It is also important to note that while some nursery operations will use high-intensity discharge lighting and conduct large amounts of the nursery activity indoors or in all-season greenhouses, other nursery operations are strictly outdoors and in unlit or seasonal greenhouse and hoop house type structures. Nurseries use a multitude of propagation materials ranging from tissue culture, to cloning, to seed propagation.

Wholesale and Retail Nursery Operations: CDFA's Emergency Regulations appear to clearly allow for wholesale nursery operations. However, the regulations are silent on Retail Nursery operations that directly serve the public. While some retail entities currently offer clones and seeds for sale to the public, selection and diversity of plant material is often limited due to space constraints and cost associated with creating an indoor area suitable to house live plant materials. Additionally, and due to the space and cost restraints mentioned above, most retail entities do not have the capability to offer a living plant that is larger than a rooted clone. For many consumers, obtaining a rooted clone means that the newly obtained plants will need to be grown under artificial light for several weeks, until the clone has rooted into a 1 - 2 gallon pot and ready to be planted in a suitable flower area. This practice increases the amount of high-intensity discharge lighting used in the private sector as well as the cost to consumers and patients who need to cultivate their own medicine in order to afford the product. With that said, we urge the subcommittee to recommend that nursery operations be allowed to operate as both wholesale and retail nursery entities so long as the licensee has local authorization to conduct such activities.

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**A vs M Nursery Licenses:** The current emergency regulations suggests that nursery licensee's need to designate their nursery as either an A or M license type. And that nursery licenses holding both A and M licenses must designate all plant material as either A or M plant material upon procuring seeds, producing seed material, or propagating plant material such as tissue culture and clones. Additionally, it appears that once propagated plant materials, or seeds, have been designated as A or M there is no opportunity to move the plant or seed materials to the other designation. This restriction, when placed on nursery operators, will most likely result in vast amounts of excess in one side of the supply chain with shortages occurring in the other side of the supply chain. It is our belief that in order for the supply chain to work smoothly and avoid surplus and shortage, that nursery licensee's should NOT be required to choose an A or M classification. In other words, wholesale and retail nurseries should be allowed to provide plant material and seeds to both A and M license holders as well as A and M consumers.

**Individual Plant Tracking:** The current requirement that nurseries tag and track individual plants is onerous and will generate excessive amounts of plant tag associated trash. Nursery facilities are often dealing with thousands of plants at any given time and during the propagation stage, often suffer significant losses ranging from 30% to nearly 60% when starting from seed and thinning out males. Nurseries will likely be distributing a variety of plant material ranging from seeds, to tissue culture starts, to clones in 'root' cubes, to potted plants ready to be placed into a flowering area. In the case of seeds and tissue culture starts, the plant material is so small and fragile that affixing a Unique Identifier Device (UID) is virtually impossible. In the case of rooted clones affixing a UID will vastly increase the amount of loss suffered by the nursery due to the fact that clones are incredibly small and fragile at this stage of life. Because of the unique nature associated with handling fragile young plant material, we respectfully request that nursery operations be allowed to track seed and plant material in lots as opposed to individual plant tags. Lots should be flexible in size and allow the nursery to track based on:

seed weight vs count;

Tissue culture containers and rooted trays vs individual plants;

Clone trays vs individual plants

Potted trays (such as used for 4" pots) vs individual plants; and

Groups of 100 potted plants (such as in the case of 1 gallon or larger potted plants)

**Procurement of Cannabis Propagation Material:** The cannabis marketplace thrives on diversity of plant varieties and much of this diversity stems directly from cultivators who breed their favorite varieties in hopes of developing more vigorous and unique cannabis plant material. Additionally, many cultivators lack the ability to overwinter genetics and in some cases, lack the space necessary to propagate the plant material they need throughout the cultivation season. Ideally, cultivators should be able to share or sell seeds and plant material to nurseries, who can then turn around and meet the cultivators needs for propagated material. However, it appears that the current regulations prohibit cultivators from selling or providing seeds and propagated plant material to nurseries. This prohibition will vastly limit the nursery industries ability to acquire new genetic material and leave cultivators in the unfortunate situation of potentially not being able to meet consumer demand of specialty varieties. We respectfully request that the cultivation subcommittee recommend that licensed cultivators be allowed to sell and share seeds and plant material with licensed nurseries in order to ensure that adequate amounts of plant material and that plant diversity be readily available within the commercial nursery marketplace. In order to ensure that cultivators are NOT moving excessive amounts of propagation related plant material into the nursery marketplace we suggest the subcommittee consider following the lead of traditional producer handler and nursery regulations, which allow farmers holding producer handler licenses to sell up to \$400 in plant material without needing a nursery license. While \$400 worth of plant material might not be the appropriate dollar amount, we strongly suggest that a similar trigger be put into place allowing licensed cultivators the ability to sell seeds, clones and propagated plant material into the licensed cannabis nursery marketplace.

**Transportation:** Current regulations require that a nursery or distributor transport all seeds and live plant materials while licensed cultivators are prohibited from transporting seeds and plant material from the nursery to their licensed premises. Many licensed cultivators, in need of seeds and plant material, are cultivating in rural areas that are often hard to access and are not in close proximity to the nursery or a distributor who can handle the cultivators transportation needs. Due to the logistical challenges this poses to

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cultivators, nurseries and distributors alike, we strongly urge the cultivation subcommittee to make a recommendation to allow cultivators the ability to transport seeds and live plant material as part of their cultivation license so long as they carry an itemized manifest disclosing all seed and plant material being transferred.

**Seeds:** The current regulations are silent regarding seed production, tracking, transportation, and wholesale and retail sales. The ICFA strongly suggests that seed production be allowed at both the nursery and cultivation license levels and that cultivators be provided with a pathway to sell and share seeds between cultivation licenses and to commercial nursery operations. Tracking of cannabis seeds should be allowed by weight for bulk seed producers and by lot counts, in the case of smaller retail seed packages. Additionally, cultivators should be allowed to transport seeds and propagation material from the nursery to their licensed premises as well as from licensed cultivator to licensed cultivator. As such, seed and propagation materials should be allowed to remain outside of the A or M designation in order to ensure diversity and supply in both licensing tracks.

**Premises -** Currently the CDFA regulations allow cultivation license holders to propagate and process within their cultivation premises. However, many cultivators who hold multiple cultivation licenses on one parcel or on contiguous parcels, rely on one propagation and one processing area to service the multiple cultivation licenses held. The current regulations lack clarity regarding the legality of this sort of 'shared' facility. The ICFA strongly suggests that the cultivation subcommittee provide a recommendation to regulators that shared propagation and processing spaces be allowed without triggering the requirement for a commercial nursery or centralized processing licenses so long as all plant materials are kept separate and distinct in the states track and trace program. Additionally, the requirements around how such spaces may be shared should be deferred to the local jurisdiction's permitting authority.

**Transportation -** Transportation is an issue that is exponentially challenging rural and seasonal cannabis cultivators. The current prohibition on transportation has many cultivators, especially those who cannot conduct post-harvest activities on their premises, stuck with crops and plant material that they cannot get into the regulated marketplace. The prohibition on transportation by cultivation, processing and manufacturing entities has created an unintended bottleneck in the supply chain. Currently, there are few distribution licenses in the State and those that do exist tend to be concentrated in urban areas. While we understand that the State has attempted to remedy this issue by establishing the distribution-transport only license type and the self distribution license type, many cultivators cannot meet the onerous requirements associated with these license types and therefore do not qualify to conduct these activities from their cultivation premises. Furthermore, and due to the onerous nature of the regulatory framework, many cultivators, especially seasonal cultivators, lack the capital necessary to obtain such a distribution license. Currently, the distribution-transport only license type is required to provide and meet the same requirements as a distribution license (Type 11). Such requirements are prohibitive for the following reasons:

**Local Land Use and Zoning Requirements:** Local land use zoning requirements often establish different zoning requirements for distribution activities verses cultivation activities. This is especially true for outdoor and mixed-light 1 cultivators operating on agriculturally appropriate lands.

**Separate and Distinct Premise Requirement:** Currently the regulations for distribution-transport only and self-distribution licenses require the licensee to operate on a separate and distinct premises from other license types including but not limited to cultivation, processing and manufacturing licensed premises.

**Solutions to a. and b.:** Create an exemption process that allows entities who hold a cultivation, processing, and or manufacturing license to obtain a distribution-transport only license or a self-distribution license to utilize the same premises as the cultivation, processing or manufacturing license he or she also holds. Additionally, the security requirements associated with such an exemption should reflect the security requirements associated with the cultivation, processing and or manufacturing requirements, NOT the distribution security requirements.

**Requirement for a Motor Carrier Permit:** The current requirement for a motor carrier permit for all distribution license types is overly restrictive when applied to those entities conducting self transportation-distribution only and self-distribution activities. The ICFA respectfully requests that the Bureau leave the requirement for a MCP up to the Department of Motor Vehicles (DMV) and existing law that govern when an MCP is required.

**Requirement to Label Dry Containers as Containers to be Affixed with the Transport Vehicle:** Currently the DCC Enforcement Regulation

## Cannabis Advisory Committee: Subcommittee Input Survey for March 1 Meetings

**Requirement a Locked Box, Container, or Cage to be Affixed within the Transport Vehicle:** Currently the BCC Emergency Regulations require that all cannabis goods be transported in an locked box, container or cage that is secured to the inside of the vehicle or trailer is costly and overly onerous for those licensees transporting their own products. With that said, the ICFA requests that the BCC create an exemption to this requirement when a licensee is transporting their own products. Instead, the BCC should require that licensees conducting self transportation of cannabis goods, transport said goods within a securely locked vehicle and that all cannabis goods remain 'out of visibility' during the duration of transport.

**Barriers to Entry and Associated Cost:** In addition to the barriers mentioned above, it is reasonable to assume that cottage specialty, specialty, and small cultivators, especially those in the outdoor and mixed-light tier 1 categories, will NOT be able to afford the additional licensing expense associated with the distribution-transport only license and the self-distribution license types. For this reason, we respectfully request that ALL cottage specialty, specialty and small cultivators be allowed to self transport their cannabis goods without obtaining additional licensure.

**Enforcement -** The ICFA is hearing from numerous stakeholders about extreme inconsistencies related to enforcement. This is especially true when it comes to the California Department of Fish and Wildlife (CDFW). Cultivators operating in the North Coast Regional Water Quality Control Board district and the Central Regional Water Quality Control Board district have, in many cases, been engaged in pilot regulatory programs since as early as 2015. For these cultivators, timelines for environmental compliance have been established through regional pilot programs yet repeatedly CDFW continually fails to acknowledge already agreed upon timelines for environmental compliance and regularly act to enforce environmental upgrades that are not part of the State Water Resource Control Boards (SWRCB) cannabis order. Examples of overreaching enforcement includes requiring cultivators in Humboldt County to remove properly sized plastic culverts and requiring them to be replaced with metal culverts due to concerns that the plastic culverts might melt if there were to be a wildfire. Other examples include requiring cultivators to relocate garden sites to new locations before local permits are issued, in order to receive CDFW referral approval. Such requirements put cultivators in an 'out of compliant' position with the local jurisdiction and many have been fined by the locality for conducting cultivation related work prior to receiving a local permit. Additionally, there needs to be a reasonable timeline associated with establishing the storage necessary to meet the forbearance requirements. Currently in Humboldt County, cannabis cultivation applicants cannot receive a permit for tank installation or pond development while a cultivation permit is pending, yet CDFW won't grant these cultivators a favorable referral without the storage established. With that said, many cultivators feel like they have to choose which rule to break, the County's permitting requirements, or CDFW's forbearance rule. The lack of regulatory clarity and inconsistent enforcement activities has created a very expensive and confusing regulatory climate for seasonal cultivators primarily. The SWRCB's cannabis order costs many cultivators between \$35,000 and \$150,000 to establish compliance and inconsistent enforcement activities puts these cultivators in the tenuous position of also potentially obtaining violations while doing their best to comply. The ICFA respectfully requests that CDFW be directed to respect the timelines set forth by the local jurisdiction and the SWRCB's cannabis order. Additionally, if the CDFW determines that there is an urgent and immediate need for 'work' on applicant properties, that CDFW be required to put the request in writing and submit to the local jurisdiction and the SWRCB for approval before requiring the applicant to engage in the work and possibly suffer fines from other regulatory bodies. Compliance will not be achievable unless the requirements and enforcement protocols are consistent between agencies. All cultivation licensee's should have the right to consistent regulations that are consistently and equally enforced.

**Track and Trace Protocols -** Wet weight and individual UID harvest tracking requirements should be eliminated from the track and trace programs harvest protocols. Instead, whole beds or designated areas of the same cultivar should be allowed to be harvested and accounted for as a new batch. When the new batch is created in the track and trace program at harvest each tag associated with the area that was harvested should be noted in the creation of the new batch. As currently written, the requirement to track all wet weight and to associate the freshly harvested plant material to the individual plant from which it came, will create an onerous amount of costly labor that California's smallest farmers will not be able to afford.

#59

**Collector:** Web Link 1 (Web Link)  
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**Q1** First Name (Optional) Respondent skipped this question

**Q2** Last Name (Optional) Respondent skipped this question

**Q3** Organization (Optional) Respondent skipped this question

**Q4** Title (Optional) Respondent skipped this question

**Q5** Please choose the one subcommittee to which you would like your feedback to be sent. Note: You may submit feedback to as many subcommittees as you wish. Simply click on the link again to submit additional comments. Cultivators Subcommittee

**Q6** Feedback for Subcommittee

Cultivators being responsible for taxes at the current requested amount is way too much for small farmers to stay in business. Currently all taxes and permit fees cost much more than profits being made By farmers who are taking the time to produce high-quality Organic. Please reconsider the price of taxes to favor small farmers staying in business. Farmers cultivating less than 10,000 ft.<sup>2</sup> are having a hard time competing with the high production farms that have sprung up in the last two years p farmers cultivating less than 10,000 ft.<sup>2</sup> are having a hard time competing with the high production farms that have sprung up in the last two years perhaps. If the taxes reflected the size of the farm it could help,Perhaps shift the price of taxes for small farms on to distributors and dispensaries since they are profiting drastically on small farmers. In most cases it's seems They are making more profit than the farmer. Thank you for your consideration